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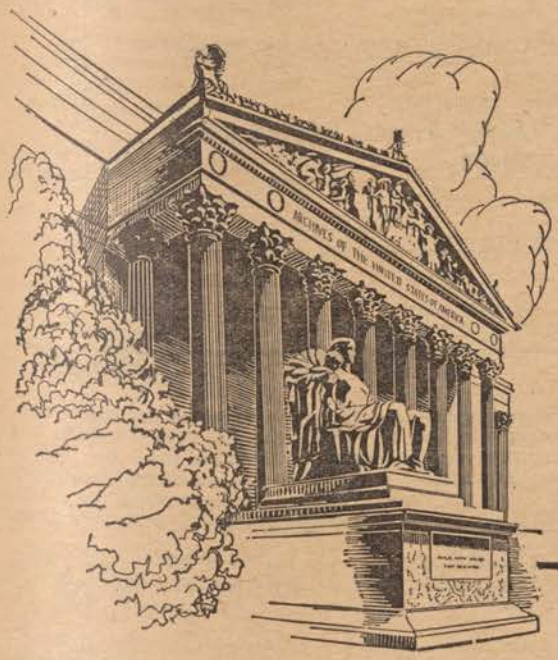

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A cumulative guide is published separately at the end of each month. The guide lists the parts and sections affected by documents published since January 1, 1968, and specifies how they are affected.

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Title 3—THE PRESIDENT

Executive Order 11434

RELATING TO THE ADMINISTRATION OF THE FOREIGN SERVICE PERSONNEL SYSTEMS OF THE UNITED STATES, AND FOR OTHER PURPOSES

By virtue of the authority vested in me by the Foreign Service Act of 1946, as amended (22 U.S.C. 801 et seq.), Reorganization Plan No. 8 of 1953 (67 Stat. 642), Reorganization Plan No. 4 of 1965 (79 Stat. 1321), Public Law 90–494 (82 Stat. 810), and Section 301 of Title 3 of the United States Code, and as President of the United States, it is ordered as follows:

SECTION 1. *Policies and Regulations.* The Secretary of State with respect to the Foreign Service personnel and retirement systems and the Director of the United States Information Agency with respect to the Foreign Service personnel system of the United States Information Agency shall promulgate policies and related regulations governing such systems after consultation with the Director of the Bureau of the Budget and the Chairman of the Civil Service Commission.

SEC. 2. *Board of the Foreign Service and Board of Examiners for the Foreign Service.* The Board of the Foreign Service and the Board of Examiners for the Foreign Service established by Executive Order No. 11264 of December 31, 1965, as hereinafter amended, shall exercise with respect to Foreign Service information officers the functions delegated to them by that order with respect to Foreign Service officers. The Boards shall perform such additional functions with respect to Foreign Service personnel of the United States Information Agency as the Director may from time to time delegate or otherwise assign.

SEC. 3. *Foreign Service Retirement and Disability System.* The authority vested in the President by Sections 9(b) and 16(a) of Public Law 90–494 to prescribe regulations relating to participation of Foreign Service staff officers and employees of the United States Information Agency and Foreign Service Reserve officers with unlimited tenure, respectively, in the Foreign Service Retirement and Disability System is hereby delegated to the Secretary of State.

SEC. 4. *Amendment of Executive Order No. 11264.* Section 21 of Executive Order No. 11264 of December 31, 1965, is amended as follows:

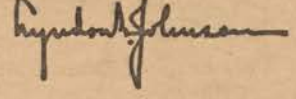
(a) Paragraph (2) of subsection (b) is amended by deleting "(iii) The United States Information Agency" and redesignating subdivision (iv) as subdivision (iii).

(b) Paragraph (3) of subsection (b) is redesignated as paragraph (4) and the following new paragraph (3) is added:

"(3) Two officials of the United States Information Agency who shall be designated as members of the Board by the Director of the United States Information Agency."

(c) Subsection (d) is amended by substituting "subsection (b) (1), (b) (2) or (b) (3)" for "subsection (b) (1) or (b) (2)."

SEC. 5. *Effective Date.* This order shall be effective as of August 20, 1968, and the Secretary of State and the Director of the United States Information Agency, in their discretion and consistent with law, may make rules and regulations pursuant to this order effective on or after that date.



THE WHITE HOUSE,
November 8, 1968.

[F.R. Doc. 68-13701; Filed, Nov. 8, 1968; 2:45 p.m.]

Memorandum of November 8, 1968

[DELEGATION OF AUTHORITY UNDER INTERGOVERNMENTAL COOPERATION ACT OF 1968]

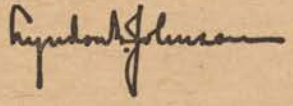
THE WHITE HOUSE,
Washington, November 8, 1968.

Memorandum for the Director of the Bureau of the Budget

By virtue of the authority vested in me by section 301 of title 3 of the United States Code and section 401(a) of the Intergovernmental Cooperation Act of 1968 (Public Law 90-577), I hereby delegate to you the authority vested in the President to establish the rules and regulations provided for in that section governing the formulation, evaluation, and review of Federal programs and projects having a significant impact on area and community development, including programs providing Federal assistance to the States and localities, to the end that they shall most effectively serve these basic objectives.

In addition, I expect the Bureau of the Budget to generally coordinate the actions of the departments and agencies in exercising the new authorizations provided by the Intergovernmental Cooperation Act, with the objective of consistent and uniform action by the Federal Government.

This memorandum shall be published in the FEDERAL REGISTER.



[F.R. Doc. 68-13752; Filed, Nov. 12, 1968; 8:45 a.m.]

Rules and Regulations

Title 12—BANKS AND BANKING

Chapter V—Federal Home Loan Bank Board

SUBCHAPTER C—FEDERAL SAVINGS AND LOAN SYSTEM

[22,232]

PART 541—DEFINITIONS

PART 545—OPERATIONS

Loans on Short-Term Leaseholds

NOVEMBER 5, 1968.

Resolved that, notice and public procedure having been duly afforded (33 F.R. 15262) and all relevant material presented or available having been considered by it, the Federal Home Loan Bank Board, upon the basis of such consideration and for the purpose of specifying the basis on which Federal savings and loan associations will be authorized to make loans on the security of short-term leaseholds in areas approved for such lending by the Board, hereby amends Parts 541 and 545 of the rules and regulations for the Federal Savings and Loan System (12 CFR Parts 541 and 545) as follows, effective November 13, 1968:

1. Paragraph (a) of § 541.9 is hereby amended to read as follows:

§ 541.9 **Loans on the security of first liens.**

(a) The term "loans on the security of first liens" means loans on the security of any instrument (whether a mortgage, deed of trust, or land contract) which makes the interest in the real estate described therein (whether in fee or in leasehold or sub-leasehold extending or renewable automatically or at the option of the holder (or at the option of the Federal association) for a period of at least 50 years from the date the loan is executed or such shorter period as provided in § 545.6–19 of this chapter) specific security for the payment of the obligation secured by such instrument: *Provided*, The instrument is of such nature that, in the event of default, the real estate described in such instrument could be subjected to the satisfaction of such obligation with the same priority as a first mortgage or a first deed of trust in the jurisdiction where the real estate is located.

* * * * *

2. Section 545.6–19 is hereby amended to read as follows:

§ 545.6–19 **Short-term leaseholds.**

(a) *Applications.* A Federal association whose regular lending area includes all or part of any county where under local practice lending on leaseholds extending or renewable automatically for a period of less than 50 years is prevalent may seek Board approval to make loans as hereinafter provided by filing an application with the Board containing the following:

(1) A map showing the county in which the association proposes to make such loans and the association's regular lending area;

(2) Citations to the appropriate provisions of local law authorizing other institutional lenders to make such loans; and

(3) Information demonstrating the competitive necessity for making such loans.

(b) *Effect of approvals.* Approval of any such application by the Board shall constitute approval for all Federal associations to make loans in such county as provided in this section.

(c) *General provisions.* A Federal association may, if permitted by the terms of its charter, invest in loans on the security of first liens on improved real estate held under a leasehold or subleasehold, and located in counties in which the Board has approved such lending, as provided herein.

(d) *Leaseholds or subleaseholds existing on October 12, 1968.* A Federal association may invest in such a loan secured by a leasehold or subleasehold created on or prior to October 12, 1968, if, at the time the association invests in the loan, the leasehold or subleasehold extends or is renewable automatically or at the option of the holder (or at the option of such association) for a period of at least 10 years beyond the maturity of the loan.

(e) *Leaseholds or subleaseholds created after October 12, 1968.* A Federal association may invest in such a loan secured by a leasehold or subleasehold created after October 12, 1968, only if, at the time the association invests in the loan, the leasehold or subleasehold extends or is renewable automatically or at the option of the holder (or at the option of such association) for a period of at least 10 years beyond the maturity of the loan and, if the loan is upon a home or combination of home and business property, the lease or sublease contains a provision giving any holder of the leasehold or subleasehold the right to extend or renew the lease or sublease at a time or times prescribed in or determinable from the lease or sublease for an aggregate extended term of not less than 75 years beginning on the date the lease or sublease is executed, at an annual rent (i) set forth in the lease or sublease, (ii) computed as provided in the lease or sublease, or (iii) agreed to by the parties at the time the extension is sought. If the lease or sublease provides for determination of the annual rent by agreement between the parties at the time an extension or renewal is sought, it shall further provide that, in the event that the parties are unable to agree to the annual rent between themselves, the amount of the annual rent shall be submitted to binding arbitration by an arbiter appointed by a court of competent jurisdiction.

(f) *Insured or guaranteed loans.* Notwithstanding the provisions of paragraph (e) of this section, a Federal association may invest in insured or guaranteed loans or leaseholds or subleaseholds if, at the time the association invests in the loan, the leasehold or subleasehold extends or is renewable automatically or at the option of the holder (or at the option of such association for a period of at least 10 years beyond the maturity of the loan.

(Sec. 5, 48 Stat. 132, as amended; 12 U.S.C. 1464; Reorg. Plan No. 3 of 1947, 12 F.R. 4981, 3 CFR, 1943–1948 Comp., p. 1071)

Resolved further that, since publication of the aforesaid amendments for the period specified in § 508.14 of the general regulations of the Federal Home Loan Bank Board and 5 U.S.C. 553(d) prior to the effective date of said amendments would, in the opinion of the Board, delay the amendments from becoming effective promptly and, since the aforesaid amendments do not require any change in the operations of Federal savings and loan associations, the Board finds that deferral of the effective date would be contrary to the public interest and unnecessary and the Board hereby provides that said amendments shall become effective as hereinbefore set forth.

By the Federal Home Loan Bank Board.

[SEAL] JACK CARTER,
Secretary.

[F.R. Doc. 68–13651; Filed, Nov. 12, 1968; 8:47 a.m.]

Title 7—AGRICULTURE

Chapter I—Consumer and Marketing Service (Standards, Inspections, Marketing Practices), Department of Agriculture

PART 26—GRAIN STANDARDS

Wheat; Numerical Grades and Sample Grade and Grade Requirements

Correction

In F.R. Doc. 68–13287 appearing at page 16065 in the issue of Friday, November 1, 1968, the table in § 26.127(a) should read as set forth below:

WHEAT

Grade	Minimum test weight per bushel		Maximum limits of—						
			Defects					Wheat of other classes [1]	
	Hard Red Spring Wheat or White Club Wheat	All other classes	Heat-damaged kernels	Damaged kernels (total)	Foreign material	Shrunken and broken kernels	Defects (total)	Contrasting classes	Wheat of other classes (total)
	Pounds	*Pounds*	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*
1	58.0	60.0	0.1	2.0	0.5	3.0	3.0	1.0	3.0
2	57.0	58.0	.2	4.0	1.0	5.0	5.0	2.0	5.0
3	55.0	56.0	.5	7.0	2.0	8.0	8.0	3.0	10.0
4	53.0	54.0	1.0	10.0	3.0	12.0	12.0	10.0	10.0
5	50.0	51.0	3.0	15.0	5.0	20.0	20.0	10.0	10.0
Sample grade	Sample grade shall be wheat which does not meet the requirements for any of the grades from No. 1 to No. 5, inclusive; or which contains more than two crotalaria seeds (*Crotalaria* spp.) in 1,000 grams of grain, or contains castor beans (*Ricinus communis*), stones, broken glass, animal filth, an unknown foreign substance(s), or a commonly recognized harmful or toxic substance(s); or which is musty, sour, or heating; or which has any commercially objectionable foreign odor except of smut or garlic; or which contains a quantity of smut so great that any one or more of the grade requirements cannot be applied accurately; or which is otherwise of distinctly low quality.								

[1] Red Durum Wheat of any grade may contain not more than 10.0 percent of wheat of other classes.

Chapter VIII—Agricultural Stabilization and Conservation Service (Sugar), Department of Agriculture

SUBCHAPTER I—DETERMINATION OF PRICES

PART 871—SUGAR BEETS

Fair and Reasonable Prices for 1968 Crop

Pursuant to the provisions of section 301(c)(2) of the Sugar Act of 1948, as amended (herein referred to as "act"), after investigation, due notice of public hearings, and consideration of evidence presented at hearings held during November and December 1967, the following determination is hereby issued:

Sec.
871.20 General requirements.
871.21 Purchase agreements.
871.22 Reporting requirements.
871.23 Subterfuge.

AUTHORITY: Secs. 871.20 to 871.23 issued pursuant to sec. 301 of the Sugar Act of 1948, as amended sec. 403, 61 Stat. 932; 7 U.S.C. 1153. Interprets or applies sec. 301, 61 Stat. 932; 7 U.S.C. 1131.

§ 871.20 General requirements.

A producer of sugar beets who is also a processor of sugar beets (herein referred to as "processor") shall have paid, or contracted to pay for all sugar beets of the 1968 crop grown by other producers and processed by him, in accordance with the following requirements:

§ 871.21 Purchase agreements.

(a) The price for all 1968 crop sugar beets delivered by a producer and processed by a processor, shall be not less than that required to be paid pursuant to the 1968 crop sugar beet purchase contract between the processor and the producer.

(b) If the processor, in determining the net proceeds pursuant to the contract, makes a deduction from the gross sales price of sugar for factory-site bulk sugar storage facilities owned by the processor, or for factory-site bulk pulp storage facilities owned by the processor in those districts where producers share directly in the total net returns from the sales of sugar, pulp, and molasses, such deduction shall be limited to amortization of such facilities, including improvements, over a reasonable period, interest at prevailing rates on the unrecovered cost, taxes, insurance, maintenance, and operating costs properly applicable thereto. After the costs of the facilities, including improvements, have been fully recovered such deduction shall be limited to taxes, insurance, maintenance, and operating costs properly applicable thereto.

(c) In determining the net proceeds pursuant to the contract, the gross sales price per 100 pounds to be applicable to sugar sold to an affiliate company or other affiliate business entity, or to sugar used by the processor during the settlement period, shall be not less than the weighted average quoted basis price, less customary allowance, and plus appropriate prepays and package differentials which would have been applicable to such sugar had it been marketed to nonaffiliated purchasers.

§ 871.22 Reporting requirements.

The processor shall submit to the Director, Policy and Program Appraisal Division, Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, Washington, D.C. 20250, within 60 days after the close of the sales period specified in the sugar beet purchase contract, an itemized statement for each settlement district, certified by an independent accountant, showing the computation of "net proceeds" or "net returns" as provided in such contract, such statement to be in substantially the form as that contained in Schedule A attached hereto and made a part hereof: *Provided*, That, if the processor markets sugar to an affiliate company or other affiliate business entity or if the processor uses any beet sugar, the weighted average gross sales price for each category, the marketing expenses applicable to each, and the net proceeds derived therefrom shall be reported in substantially the form shown on Schedule A–1 attached hereto and made a part hereof, to supplement the information submitted in accordance with Schedule A: *Provided further*, That, if the processor in determining net proceeds makes a deduction for factory-site bulk sugar or bulk pulp storage facilities owned by the processor, the total cost of such facilities, including improvements, the amount of the deduction and the expenses used in determining such deduction shall be reported in substantially the form shown on Schedule A–2 attached hereto and made a part hereof, to supplement the information submitted in accordance with Schedule A.

§ 871.23 Subterfuge.

The processor shall not reduce returns to producers below those determined in accordance with the requirements of this part through any subterfuge or device whatsoever.

STATEMENT OF BASES AND CONSIDERATIONS

General. The foregoing determination establishes the fair and reasonable price requirements which must be met, as one of the conditions for payment under the act, by a producer who processes sugar beets of the 1968 crop grown by other producers.

Requirements of the act. Section 301(c)(2) of the act provides that the producer on the farm who is also, directly or indirectly, a processor of sugar beets or sugarcane, as may be determined by the Secretary, shall have paid, or contracted to pay under either purchase or toll agreements, for any sugar beets or sugarcane grown by other producers and processed by him at rates not less than those that may be determined by the Secretary to be fair and reasonable after investigation and due notice and opportunity for public hearing.

1968 fair price determination. This determination provides that a processor shall be deemed to have complied with the fair price provisions of the act if he has paid, or contracted to pay, prices for all sugar beets processed that are not less than those determined pursuant to the applicable 1968 crop purchase contract with producers.

At the public hearing held in Lubbock, Tex., a representative of the Texas-New Mexico Sugar Beet Growers Association testified that when prices for production items such as labor and steel increase, farmers feel that they should receive increased prices for their sugar beets.

At the public hearing held in Presque Isle, Maine, a representative of the Maine Sugar Beet Growers Association testified that his association felt that their 1967 contract was the best in the country and that they had agreed on a 1968 contract. A representative of Maine Sugar Industries, Inc., testified that he also felt that their contract was very good. He also described his company's 7-year lease-purchase agreement with producers wherein specialized sugar beet equipment such as harvesters, planters, thinners, harrows, and even rock pickers could be acquired without a lengthy obligation by the farmer while in the process of deciding whether or not to produce sugar beets.

Examination of the 1968 crop purchase contracts, which have been negotiated by producers and processors and submitted to the Department subsequent to the hearings, reveals numerous changes from 1967, as well as completely new clauses in several contracts. Some of these changes include: revisions in the price and types of seed available by six processors; higher ranges of "net returns" by five processors; changes in the range of sucrose contents by several processors; new restrictions by two processors as to the final date to apply fertilizer; labor procurement; hauling and freight deduction changes by several processors; price increases for sugar beets were negotiated by growers from four factory areas; and seven additional factories began use of individual sucrose content tests in computing payments to growers.

New clauses in the 1968 contract include price bonuses to growers for various periods of early delivery by one processor, and another processor will credit growers who deliver beets between September 30, and October 12, 1968, with a sucrose content equal to (a) the factory average for the period October 14, to October 27, 1968, times a factor of 1.09, or (b) the actual individual sucrose test if it is higher. Two processors in California have agreed to base their initial payment for sugar beets on a "net" of not less than $8 per hundredweight of sugar; two processors have agreed to a minimum price per ton of sugar beets; and one processor has agreed that the initial payment shall be based on a net return for sugar of not less than 85 percent (or 90 percent in some districts) of the previous year's net return per hundredweight of refined sugar. Contracts with five processors include a guarantee on net returns related to New York raw sugar prices on which the processor will base payments for sugar beets.

Consideration has been given to the provisions of the purchase contracts, to the comparative average operating results of producers and processors obtained by field study for a prior crop and recast in terms of prospective price and production conditions for the 1968 crop, and to other pertinent factors. The analysis indicates that the payments provided in 1968 crop purchase contracts are fair and reasonable at levels of sugar prices which may be expected during the marketing season.

Accordingly, I hereby find and conclude that the foregoing determination will effectuate the price provisions of the Sugar Act of 1948, as amended.

(The recordkeeping and reporting requirements of these regulations have been approved by, and subsequent recordkeeping and reporting requirements will be subject to, the approval of the Bureau of the Budget in accordance with the Federal Reports Act of 1942)

Effective date. This determination shall become effective upon publication in the FEDERAL REGISTER and is applicable to 1968 crop sugar beets.

Signed at Washington, D.C., on October 31, 1968.

ORVILLE L. FREEMAN,
Secretary.

SCHEDULE A—STATEMENT OF AVERAGE NET RETURN OR NET PROCEEDS FROM SALES OF SUGAR [1]

Company _____
Settlement area _____
Settlement period _____

	Per hundredweight sugar (dollars)
Gross sales price	
Less sales and marketing expenses (applicable to sugar only):	
Federal excise tax	
Freight on sugar to destination	
Cash discount	
Allowances	
Public storage (actually paid)	
Off-site storage owned by the processor (amount charged)	
On-site storage (computed charge) [2]	
Loading and handling	
Cost of packing in excess of basis pack	
Taxes	
Insurance	
Brokerage and commissions	
Advertising	
Sales department expenses:	
Salaries	
Travel	
Miscellaneous	
Other (specify)	
Total expense	
Net return or net proceeds	

[1] Where the purchase contract provides that the proceeds from the sales of molasses and beet pulp are to be included in calculating the net return or net proceeds, show separately the gross sales price and the marketing expenses applicable to each.

[2] Obtain from Schedule A–2.

(Data will be held confidential and will not be published in any manner as would disclose the operations of any company.)

SCHEDULE A–1—STATEMENT OF GROSS SALES PRICES APPLICABLE TO SUGAR SOLD TO AFFILIATED COMPANIES OR ENTITIES AND USED BY THE PROCESSOR, AS COMPARED TO SALES TO NONAFFILIATED PURCHASERS

Sugar sold or used-cwt.	Affiliated purchasers	Used by processor	Nonaffiliated purchasers
	Dollars per cwt.		
Quoted basis price			
Customary allowances: (Itemize)			
Open competitive			
Other:			
----------		XXXX	
----------		XXXX	
----------		XXXX	
Basis price-less allowances			
Prepay		XXXX	
Package differential		XXXX	
Gross sales price	$	$	$
Marketing expenses		(1)	
Net proceeds			

[1] If any marketing expenses are deducted from the gross sales price by the processor in computing net return for this particular sugar, such expenses shall be itemized separately.

(Data will be held confidential and will not be published in any manner as would disclose the operations of any company.)

SCHEDULE A–2—STATEMENT RELATING TO CHARGES FOR COMPANY-OWNED FACTORY-SITE BULK SUGAR AND BULK PULP STORAGE IN COMPUTING NET PROCEEDS, 1968 CROP (SUBMIT SEPARATE SCHEDULE FOR EACH FACILITY)

Company _____
Location of bulk sugar or pulp storage facility _____
_____
Settlement areas included _____
Settlement period _____
Sugar sold during settlement period—hundredweight _____

	Total dollars
Original cost of facility (year first used ------)	
Improvements (item and date):	

Total cost of facility including improvements	
Total amount recovered prior to 1968 crop	
Total unrecovered cost of facility	
Operating costs or charges for 1968 crop:	
Interest on unrecovered cost	
Taxes	
Insurance	
Maintenance and operating (itemize):	

Total operating costs for 1968 crop	
Amount applied against 1968 crop to amortize cost of facility	
Total amount charged for facility in computing net proceeds—1968 crop—(to be carried to Schedule A as amount of deduction)	
Unamortized cost of facility at end of 1968 crop	

(Data will be held confidential and will not be published in any manner as would disclose the operations of any company.)

[F.R. Doc. 68-13583; Filed, Nov. 12, 1968; 8:45 a.m.]

Chapter IX—Consumer and Marketing Service (Marketing Agreements and Orders; Fruits, Vegetables, Nuts), Department of Agriculture

PART 913—GRAPEFRUIT GROWN IN INTERIOR DISTRICT IN FLORIDA

Suspension of Certain Provisions

Notice was published in the FEDERAL REGISTER issue of October 19, 1968 (33 F.R. 15556), that consideration was being given to a proposed suspension of the operation of certain provisions of the marketing agreement and Order No. 913 (7 CFR Part 913), regulating the handling of grapefruit grown in the Interior

District of Florida, effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674). The notice afforded interested persons opportunity to submit written data, views, or arguments in connection with the proposed suspension action. No such comments were filed within the prescribed period of time.

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and on the basis that the U.S. District Court for the Middle District of Florida, Orlando Division, on September 24, 1968, declared paragraph (e), dealing with assignment of prorate bases and allotments to "new" handlers, of § 913.43 of said Order No. 913 (7 CFR Part 913) to be invalid after September 24, 1968, it is hereby found and determined that:

(a) Section 913.43(e) and the following related provisions of the marketing agreement and Order No. 913 (7 CFR Part 913) do not tend to effectuate the declared policy of the act:

(1) In the second sentence of § 913.43 (d): "Except as provided in paragraph (e) of this section,".

(2) In the first sentence of § 913.47(a):

(i) ", except a new handler,"; and

(ii) "to whom allotments have also been issued."

(3) The second sentence in § 913.47(a).

(b) Good cause exists for making this suspension order effective as hereinafter specified and for not postponing the effective date hereof until 30 days after publication in the FEDERAL REGISTER in that:

(1) This action is in compliance with the aforesaid Judgment of September 24, 1968, which declared § 913.43(e) invalid.

(2) The act requires the Secretary, whenever he finds that any provisions of a marketing order do not tend to effectuate the declared policy of the act, to suspend the operation of such provisions, so the issuance of this suspension order is mandatory.

(3) No comments regarding this suspension action were filed by interested persons within the period of time provided therefor in the notice (33 F.R. 15556) with respect to a proposed suspension.

(4) No useful purpose will be served by continuing in effect the operation of the said provisions hereby suspended beyond the effective time hereof.

It is, therefore, ordered, That the operation of the aforesaid provisions is hereby suspended.

(Secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674)

Dated November 7, 1968, to become effective upon publication in the FEDERAL REGISTER.

TED J. DAVIS,
Assistant Secretary.

[F.R. Doc. 68-13616; Filed, Nov. 12, 1968; 8:46 a.m.]

PART 929—CRANBERRIES GROWN IN CERTAIN DESIGNATED STATES

Subpart—Rules and Regulations

DETERMINATION RELATIVE TO CHANGING THE FISCAL PERIOD

Notice was published in the October 23, 1968, issue of the FEDERAL REGISTER (33 F.R. 15660) that consideration was being given to the proposal regarding the changing of the fiscal period (Sept. 1, 1968, through Aug. 31, 1969) under Marketing Order No. 929, as amended (7 CFR Part 929), regulating the handling of cranberries grown in Massachusetts, Rhode Island, Connecticut, New Jersey, Wisconsin, Michigan, Minnesota, Oregon, Washington, and Long Island in the State of New York, effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674).

After consideration of all relevant matters presented, including the proposal set forth in the aforesaid notice which was proposed by the Department, it is hereby found that the changing of the fiscal period, as hereinafter set forth, is in accordance with the provisions of the said amended order and will effectuate the declared policy of the act. Such change of the fiscal period is hereby approved; and said change is as follows:

§ 929.106 Fiscal period.

The fiscal period specified in § 929.6 of this part which began September 1, 1968, and ends on August 31, 1969, is changed to include the period of August 1, through August 31, 1968. Thereafter, the fiscal period will begin on September 1 and end on August 31 of the following year.

It is hereby further found that good cause exists for not postponing the effective date of § 929.106 beyond the date of publication in the FEDERAL REGISTER in that (1) no advance preparation for such effective date will be required of handlers for compliance therewith; (2) the changed fiscal period will tend to effectuate the declared policy of the act; and (3) no useful purpose would be served by postponing such effective date.

(Secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674)

Dated: November 7, 1968.

PAUL A. NICHOLSON,
Deputy Director, Fruit and Vegetable Division, Consumer and Marketing Service.

[F.R. Doc. 68-13617; Filed, Nov. 12, 1968; 8:46 a.m.]

PART 989—RAISINS PRODUCED FROM GRAPES GROWN IN CALIFORNIA

Designation of Countries for Export Sale by Handlers of Reserve Tonnage Raisins

Notice was published in the October 23, 1968, issue of the FEDERAL REGISTER (33 F.R. 15660) regarding a proposal dealing with the Raisin Administrative Committee's sale, as provided in § 989.67(c) of the amended marketing agreement and order, of reserve tonnage raisins to handlers for export sale to designated countries, i.e., all countries, other than Australia, outside of the Western Hemisphere. Under the proposal, "Western Hemisphere" was defined to mean the area east of the international date line and west of 30° W. longitude but excluding all of Greenland and Mexico. Interested parties were afforded an opportunity to submit written data, views, or arguments with respect to the proposal; and one handler submitted comments within the period prescribed therefor.

The proposal was recommended by the Raisin Administrative Committee. The Committee is established under, and its recommendations are made in accordance with, the provisions of the marketing agreement, as amended, and Order No. 989, as amended (7 CFR Part 989), hereinafter referred to collectively as the "order", regulating the handling of raisins produced from grapes grown in California. This program is effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674) hereinafter referred to as the "act".

The handler objected to the proposed inclusion of Mexico as one of the countries for export sale of reserve raisins in natural condition form for the following reasons: Making Mexico eligible for reserve raisins at prices lower than for free tonnage raisins could result in such raisins, natural condition or packed, being exported therefrom to "Western Hemisphere" countries in competition with free tonnage exports from California; there is no opportunity for quality control over reserve raisins that are processed and packed in Mexico; the reserve raisins could easily be blended, for example, with Mexican-produced raisins and thereby undermine the market; due to Mexican importers purchasing raisins in natural condition form, cheap raisins could be sent back to the United States from Mexico; and the shipment in export of unprocessed reserve tonnage raisins to Mexico establishes a dubious precedent that may lead to shipment of unprocessed raisins to other foreign countries where such raisins are subject to a lesser duty than processed raisins. The handler agrees that there has been a decline in the shipment of free tonnage raisins to Mexico in recent years but attributes the decline to increased raisin production in Mexico rather than to the free tonnage price level of California raisins.

However, standard raisins (i.e., raisins in unprocessed form) have been exported to Mexico for many years and some exports to that country have been made of packed raisins. Also, the sale of reserve raisins by the Committee offers opportunities for control not available on free tonnage. As provided in § 989.67(g) of the order, the Committee may

refuse to sell reserve tonnage raisins for export to any handler unless he is in compliance with the provisions of their sales agreement covering reserve tonnage raisins. Thus, in a reserve tonnage sales agreement, safeguards can be included by the Committee to assure authorized usage of the reserve tonnage raisins. The Committee is on record as recognizing the need for adequate safeguards in its agreement on sales to Mexico and other eligible countries. With respect to sales by the Committee of reserve raisins to handlers for export sale to eligible countries, the Committee is obligated to give consideration to factors bearing on the disposition of such raisins in each, or each grouping, of such outlets.

Natural Thompson Seedless raisins is the only varietal type of raisins for which a reserve percentage is in effect for the 1968–69 crop year (33 F.R. 15331); and the purpose of this action is to designate the countries to which sale in export of the reserve tonnage of such raisins may be made by handlers.

After consideration of all relevant matter presented, including that in the notice, the comments submitted pursuant to the notice, the information and recommendation by the Committee, it is found that designating, pursuant to § 989.67(c) of the marketing agreement and order, the countries, as hereinafter set forth, to which reserve tonnage raisins may be sold by handlers is in accordance with the order and will tend to effectuate the declared policy of the act.

Therefore, § 989.221 is revised to read as follows:

§ 989.221 Countries to which sale in export of reserve tonnage natural Thompson Seedless raisins may be made by handlers.

The countries to which sale in export of reserve tonnage natural Thompson Seedless raisins may be made by handlers shall be all of those countries, other than Australia, outside of the Western Hemisphere. For purposes of this section, "Western Hemisphere" means the area east of the international dateline and west of 30° W. longitude but excluding all of Greenland and Mexico. All of the countries covered by this section to which sale in export of such reserve tonnage may be made shall be deemed listed in this section for the purposes of § 989.67(c).

It is further found that good cause exists for making this designation of eligible countries effective upon publication in the FEDERAL REGISTER and for not postponing the effective time of this action until 30 days after publication in the FEDERAL REGISTER (5 U.S.C. 553) in that this designation of countries to which sale of reserve tonnage raisins may be made by handlers includes an additional outlet (i.e., Mexico) for such raisins; such designation should become effective at the time hereinafter set forth in order that the Committee may be in a position promptly to begin to make sales of reserve raisins to handlers for export sale to eligible countries, thereby maximizing sales of reserve tonnage and enabling the Committee to initiate at an early date advance or progress payments to producers and other persons entitled thereto; and no useful purpose will be served by postponing this action beyond the time hereinafter provided.

(Secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674)

Dated November 7, 1968, to become effective upon publication in the FEDERAL REGISTER.

PAUL A. NICHOLSON,
Deputy Director,
Fruit and Vegetable Division.

[F.R. Doc. 68–13657; Filed, Nov. 12, 1968; 8:48 a.m.]

Chapter X—Consumer and Marketing Service (Marketing Agreements and Orders; Milk), Department of Agriculture

[Milk Order 133]

PART 1133—MILK IN INLAND EMPIRE MARKETING AREA

Order Suspending Certain Provisions

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and of the order regulating the handling of milk in the Inland Empire marketing area (7 CFR Part 1133), it is hereby found and determined that:

(a) The following provisions of the order no longer tend to effectuate the declared policy of the Act for the months of October and November 1968.

(1) In paragraph (c) of § 1133.12 the provision: "and 20 percent in the months of September through November", where such provision is in subparagraphs (1) and (2) of paragraph (c), and

(2) The words "October, or November" which appear in the second sentence of § 1133.12(c)(5).

(b) Thirty days notice of the effective date hereof are impractical, unnecessary, and contrary to the public interest in that:

(1) This suspension order does not require of persons affected substantial or extensive preparation prior to the effective date.

(2) This suspension order is necessary to reflect current marketing conditions and to maintain orderly marketing conditions in the marketing area.

(3) The suspension will permit a handler to divert producer milk from a pool plant to a nonpool plant during the months of October and November 1968 without limit, if the milk of such producers had been received at a pool plant prior to diversion, but not necessarily in the current month. The proposed suspension will permit dairy farmers associated with the market to continue as producers under the order.

(4) Interested parties were afforded opportunity to file written data, views or arguments concerning this supension (33 F.R. 15661.) None was filed in opposition to the proposed suspension.

Therefore, good cause exists for making this order effective for the months of October and November 1968 upon publication in the FEDERAL REGISTER.

It is therefore ordered, That the aforesaid provisions of the order are hereby suspended for the months of October and November 1968.

(Secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674)

Effective date: Upon publication in the FEDERAL REGISTER.

Signed at Washington, D.C., on November 7, 1968.

TED J. DAVIS,
Assistant Secretary.

[F.R. Doc. 68–13620; Filed, Nov. 12, 1968; 8:46 a.m.]

Title 14—AERONAUTICS AND SPACE

Chapter I—Federal Aviation Administration

[Docket No. 9234, Amdt. 39–685]

PART 39—AIRWORTHINESS DIRECTIVES

Vickers Viscount Models 744, 745D, and 810 Series Airplanes

There have been failures of the flap clutch plates, Part Nos. N171242 and N188026 on Viscount Models 744, 745D, and 810 Series Airplanes. In one instance, the flap failed to function as a result of the clutch plate failure. Since this condition is likely to exist or develop in other airplanes of the same design, an airworthiness directive (AD) is being issued to require periodic replacement of the clutch plates.

Since a situation exists that requires immediate adoption of this regulation, it is found that notice and public procedure hereon are impracticable and good cause exists for making this amendment effective in less than 30 days.

In consideration of the foregoing, and pursuant to the authority delegated to me by the Administrator (14 CFR 11.89), § 39.13 of Part 39 of the Federal Aviation Regulations is amended by adding the following new airworthiness directive:

VICKERS. Applies to Viscount Models 744, 745D, and 810 Series Airplanes equipped with Rotax flap gear box drive motor Type C 9601 Series and having, either clutch packs with modification 4105C and inner clutch plates No. N171242, or clutch packs with modification 4513C and inner plates numbered N188026.

Compliance required as indicated unless already accomplished.

To prevent the flaps from becoming inoperative or going to a trail position upon selection of a different flap position, accomplish the following:

(a) Replace clutch plates that have accumulated 700 or more landings on the effective date of this AD with new or serviceable clutch plates of the same part number within the next 100 landings and

thereafter at intervals not to exceed 700 landings.

(b) Replace clutch plates that have accumulated less than 700 landings on the effective date of this AD with new or serviceable clutch plates of the same part number prior to the accumulation of 800 landings and thereafter at intervals not to exceed 700 landings.

(c) Add the following temporary in-flight procedures to the operating limitations section of the Airplane Flight Manual for airplanes having clutch plates that have accumulated more than 700 landings:

(1) For normal approach, select 40° flaps not less than 1,000 feet above terrain. Make no further flap selection before touchdown. If desired, select 47° flaps after touchdown. No corrections need to be made to normal approach speed, or landing distances.

(2) For one engine inoperative approach, select 32° flaps not less than 1,000 feet above terrain. Make no other flap selection before touchdown. If desired, 40° or 47° flaps may be selected after touchdown. Use threshold speeds 2½ knots higher than for normal approach. Landing distances must be increased by 5 percent.

(3) For two engine inoperative approach, select 20° flaps not less than 1,000 feet above terrain. Make no other flap selection before touchdown. Maintain constant indicated airspeed of 125 knots for Models 744 and 745D Series and 135 knots for Model 810 Series airplanes throughout approach to threshold. If desired, more than 20° flaps may be selected after touchdown.

(4) For balked landing or missed approach with—

(i) All engines operating or one engine inoperative, apply full power, establish positive climb and raise the landing gear. Do not select a different flap position until 1,000 feet above the terrain.

(ii) Two engines inoperative, apply full power and raise the landing gear. When the aircraft is accelerating select flaps full up.

(d) Add a temporary placard in clear view of the pilot to read as follows for airplanes having clutch plates that have accumulated more than 700 landings:

Flap management must be in accordance with the operating limitations section of the Airplane Flight Manual.

(e) The placard required by (d) must be removed and the in-flight procedures required by (c) must be removed from the Airplane Flight Manual after the clutch plates have been replaced in accordance with this AD.

(f) For the purpose of complying with this AD, subject to acceptance by the assigned FAA maintenance inspector, the number of landings may be determined by dividing each airplane's hours' time in service by the operator's fleet average time from takeoff to landing for the airplane type.

This amendment becomes effective November 18, 1968.

(Secs. 313(a), 601, 603, Federal Aviation Act of 1958; 49 U.S.C. 1354(a), 1421, 1423)

Issued in Washington, D.C., on October 31, 1968.

R. S. SLIFF,
Acting Director,
Flight Standards Service.

[F.R. Doc. 68-13640; Filed, Nov. 12, 1968; 8:47 a.m.]

Title 15—COMMERCE AND FOREIGN TRADE

Chapter X—Office of Foreign Direct Investments, Department of Commerce

PART 1000—FOREIGN DIRECT INVESTMENT REGULATIONS

Petitions for Reconsideration; Appeals

The Office of Foreign Direct Investments announced on November 12, 1968 certain amendments to the provisions of § 1000.802(c)(1) of the Foreign Direct Investment Regulations (15 CFR Part 1000). The purpose of the amendments is to clarify the composition and jurisdiction of the Foreign Direct Investments Appeals Board. Any person which lacked grounds for an appeal from an administrative action or decision on a petition for reconsideration as such grounds were set forth in § 1000.802(c)(1) as published in the FEDERAL REGISTER on June 27, 1968 (33 F.R. 9389) but which can demonstrate adequate grounds for appeal under § 1000.802(c) as amended herein, may file an appeal from such action or decision within 20 days from the effective date of this amendment and such appeal will be considered to be timely filed.

The text of § 1000.802(c)(1) is as follows:

§ 1000.802 Petitions for reconsideration; appeals.

* * * * *

(c) *Appeals*—(1) *Foreign Direct Investment Appeals Board.* The Foreign Direct Investment Appeals Board is established in the Office of the Secretary. The Secretary of Commerce (without power of delegation) shall appoint three responsible officials of the Department of Commerce, none of whom shall be employees of the Office of Foreign Direct Investments, to serve as members of the Board. The Board may, in its discretion, establish rules of procedure in addition to those set forth in this section. Any person may appeal in writing to the Board on the ground that an administrative action or a decision on petition for reconsideration with respect to such person resulted in unusual hardship upon appellant and is inconsistent with achievement of the goals and objectives of Executive Order 11387 and this part. An appeal may not be filed if such person has previously filed a petition for reconsideration respecting the same or a related administrative action and no decision has been rendered thereon or the petition has not been withdrawn. The filing of an appeal shall not suspend or stay the effect of the administrative action or decision on the petition for reconsideration under appeal unless the Board, in its discretion, so orders.

* * * * *

Effective date. The foregoing revision of § 1000.802 is effective as of November 12, 1968.

(Sec. 5 of the Act of Oct. 6, 1917, 40 Stat. 415, as amended 12 U.S.C. 95a; E.O. 11387, Jan. 1, 1968, 33 F.R. 47)

C. R. SMITH,
Secretary of Commerce.

NOVEMBER 12, 1968.

[F.R. Doc. 68-13624; Filed, Nov. 12, 1968; 8:46 a.m.]

Title 16—COMMERCIAL PRACTICES

Chapter I—Federal Trade Commission

[Docket No. 8744]

PART 13—PROHIBITED TRADE PRACTICES

Friedman's-Georgia, Inc., et al.

Subpart—Advertising falsely or misleadingly: § 13.15 *Business status, advantages, or connections:* 13.15-270 Size and extent; § 13.70 *Fictitious or misleading guarantees;* § 13.155 *Prices:* 13.155-5 Additional charges unmentioned; 13.155-10 Bait. Subpart—Misrepresenting oneself and goods—Business status, advantages or connections: § 13.1555 *Size extent or equipment;* Misrepresenting oneself and goods—Goods: § 13.1632 *Government indorsement or recommendation.*

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interprets or applies sec. 5, 38 Stat. 719, as amended; 15 U.S.C. 45) [Cease and desist order, Friedman's-Georgia, Inc., trading as A. A. Friedman Co., etc. Augusta, Ga., Docket 8744, Oct. 17, 1968]

In the Matter of Friedman's-Georgia, Inc., a Corporation, Trading and Doing Business as A. A. Friedman Co. and Friedman's Jewelers, and Abraham A. Friedman, Individually and as an Officer of Said Corporation

Order requiring a 30-store retail jewelry chain headquartered in Augusta, Ga., to cease using bait advertising, making misleading "Pay $1 Weekly" claims, using false guarantee offers, misrepresenting that its house brand merchandise is nationally advertised, and using documents which simulate Federal Government forms.

The order to cease and desist is as follows:

It is ordered, That respondents A. A. Friedman Co., Inc. (formerly known as Friedman's-Georgia, Inc.), a corporation, and its officers, trading and doing business as A. A. Friedman Co. and Friedman's Jewelers or under any other trade name or names; and Abraham A. Friedman, individually and as an officer of said corporation; and respondents' representatives, agents, and employees, directly or through any corporate or other device, in connection with the advertising, offering for sale, sale, or distribution of diamonds, watches, jewelry, appliances, or other products, in commerce, as "commerce" is defined in the

Federal Trade Commission Act, do forthwith cease and desist from:

1. Using any advertising material or other document which appears to be, or simulates, an official or governmental form or document; or misrepresenting in any manner the originator or source of advertising material or other documents.

2. Using in advertising the words "nationally advertised," "name brand," "famous name," or words of similar import or meaning in connection with respondents' "Holland," "Justin," "Jacques Prevard" watches or any other house or private brand watches or merchandise.

3. Setting out in any manner in advertising specified weekly, monthly, or other periodic credit payments or installment amounts with respect to an article of merchandise, in conjunction with a total price amount for such article when such total price amount does not include the total charges for the time payment; unless, in immediate conjunction with each such representation of periodic payment amounts, respondents clearly disclose (1) the total number of payments required for payment in full, and (2) the total amount of the payments for which the purchaser will be indebted if he elects to pay for the article by the stated installments.

4. Representing, directly or by implication, that any of respondents' merchandise is guaranteed; unless the nature and extent of the guarantee, the identity of the guarantor, and the manner in which the guarantor will perform thereunder are clearly and conspicuously disclosed and unless any represented guarantee is in fact provided and fully and completely performed to the extent and in the manner represented.

5. Representing, directly or by implication, that respondents' organization consists of seventy or any other number of stores or is of any other size or extent: *Provided, however,* That it shall be a defense in any enforcement proceeding instituted hereunder for respondents to establish that they have actually in operation the number of stores stated or that their business is of the size or extent represented.

6. Advertising or offering any merchandise for sale for the purpose of obtaining leads or prospects for the sale of different merchandise unless the respondents maintain an adequate and readily available stock of said merchandise.

7. Using any advertising, sales plan, or procedure involving the use of false, deceptive, or misleading statements or representations that are designed to obtain leads or prospects for the sale of other merchandise.

8. Representing, directly or by implication, that any merchandise is offered for sale when such offer is not a bona fide offer to sell said merchandise.

By "Decision of the Commission" further order requiring report of compliance is as follows:

It is further ordered, That the respondents herein shall within sixty (60) days after service upon them of this order, file with the Commission a report in writing setting forth in detail the manner and form in which they have complied with the order to cease and desist contained therein.

Issued: October 17, 1968.

By the Commission.

[SEAL] JOSEPH W. SHEA, *Secretary.*

[F.R. Doc. 68-13627; Filed, Nov. 12, 1968; 8:46 a.m.]

[Docket No. C-1438]

PART 13—PROHIBITED TRADE PRACTICES

Cullum's Inc.

Subpart—Advertising falsely or misleadingly: § 13.30 *Composition of goods:* 13.30-30 Fur Products Labeling Act; 13.30-75 Textile Fiber Products Identification Act; § 13.155 *Prices:* 13.155-40 Exaggerated as regular and customary. Subpart—Misbranding or mislabeling: § 13.1185 *Composition:* 13.1185-30 Fur Products Labeling Act; § 13.1212 *Formal regulatory and statutory requirements:* 13.1212-30 Fur Products Labeling Act. Subpart—Neglecting, unfairly or deceptively, to make material disclosure: § 13.1845 *Composition:* 13.1845-30 Fur Products Labeling Act.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended, 72 Stat. 1717; sec. 8, 65 Stat. 179; 15 U.S.C. 45, 70, 69f) [Cease and desist order, Cullum's Inc., Augusta, Ga., Docket C-1438, Oct. 17, 1968]

Consent order requiring an Augusta, Ga., retail clothing firm to cease misbranding and falsely advertising its fur products and textile fiber products and failing to keep required records.

The order to cease and desist, including further order requiring report of compliance therewith, is as follows:

It is ordered, That respondent Cullum's, Inc., a corporation, and its officers, and respondent's representatives, agents, and employees, directly or through any corporate or other device, in connection with the introduction, into commerce, or the sale, advertising, or offering for sale in commerce, or the transportation or distribution in commerce, of any fur product; or in connection with the sale, advertising, offering for sale, transportation, or distribution, of any fur product which is made in whole or in part of fur which has been shipped and received in commerce, as the terms "commerce," "fur," and "fur product" are defined in Fur Products Labeling Act, do forthwith cease and desist from:

A. Misbranding any fur product by:

1. Failing to affix a label to such fur product showing in words and in figures plainly legible all of the information required to be disclosed by each of the subsections of section 4(2) of the Fur Products Labeling Act.

2. Failing to set forth the term "natural" as part of the information required to be disclosed on a label under the Fur Products Labeling Act and the rules and regulations promulgated thereunder to describe such fur product which is not pointed, bleached, dyed, tip-dyed, or otherwise artificially colored.

3. Failing to set forth on a label the item number or mark assigned to such fur product.

B. Falsely or deceptively advertising any fur product through the use of any advertisement, representation, public announcement, or notice which is intended to aid, promote or assist, directly or indirectly, in the sale, or offering for sale of any such fur product, and which:

1. Represents, directly or by implication, that any price, whether accompanied or not by descriptive terminology, is the respondent's former price of such fur product when such price is in excess of the price at which such fur product has been sold or offered for sale in good faith by the respondent in the recent regular course of business, or otherwise misrepresents the price at which any such fur product has been sold or offered for sale by respondent.

2. Falsely or deceptively represents that savings are afforded to the purchasers of any such fur product or misrepresents in any manner the amount of savings afforded to the purchaser of such fur product.

3. Falsely or deceptively represents that the price of any such fur product is reduced.

4. Fails to set forth the term "natural" as part of the information required to be disclosed in advertisements under the Fur Products Labeling Act and the rules and regulations promulgated thereunder to describe such fur product which is not pointed, bleached, dyed, tip-dyed, or otherwise artificially colored.

C. Failing to maintain full and adequate records disclosing the facts upon which pricing claims and representations of the types described in subsections (a), (b), (c), and (d) of Rule 44 of the rules and regulations promulgated under the Fur Products Labeling Act are based.

It is further ordered, That respondent Cullum's, Inc., a corporation, and its officers, and respondents, representatives, agents, and employees, directly or through any corporate or other device, in connection with the introduction, delivery for introduction, sale, advertising, or offering for sale, in commerce, or the transportation or causing to be transported in commerce, or the importation into the United States, of any textile fiber product; or in connection with the sale, offering for sale, advertising, delivery, transportation, or causing to be transported of any textile fiber product which has been advertised or offered for sale in commerce; or in connection with the sale, offering for sale, advertising, delivery, transportation, or causing to be transported, after shipment in commerce, of any textile fiber product, whether in its original state or contained in other textile fiber products, as the terms "commerce" and "textile fiber product" are defined in the Textile Fiber Products Identification Act, do forthwith cease and desist from falsely or deceptively advertising any textile fiber product by:

1. Making any representation, by disclosure or by implication, as to the fiber content of any textile fiber product in any written advertisement which is used to aid, promote, or assist, directly or indirectly, in the sale or offering for sale of such textile fiber product, unless the same information required to be shown on the stamp, tag, label, or other means of identification under section 4(b) (1) and (2) of the Textile Fiber Products Identification Act is contained in the said advertisements, except that the percentages of the fibers present in the textile fiber product need not be stated.

2. Failing to set forth, in disclosing the required fiber content information as to floor coverings containing exempted backings, fillings, or paddings, that such disclosure relates only to the face, pile, or outer surface of the floor covering and not to the exempted backings, fillings, or paddings.

3. Using a fiber trademark in advertising such textile fiber product without a full disclosure of the required content information in at least one instance in said advertisement.

4. Using a fiber trademark in advertising such textile fiber product containing more than one fiber without such fiber trademark appearing in the required fiber content information in immediate proximity and conjunction with the generic name of the fiber in plainly legible type or lettering of equal size and conspicuousness.

It is further ordered, That the respondent corporation forthwith distribute a copy of this order to each of its operating divisions.

It is further ordered, That the respondent herein shall, within sixty (60) days after service upon it of this order, file with the Commission a report, in writing, setting forth in detail the manner and form in which it has complied with this order.

Issued: October 17, 1968.

By the Commission.

[SEAL] JOSEPH W. SHEA, *Secretary.*

[F.R. Doc. 68-13628; Filed, Nov. 12, 1968; 8:46 a.m.]

[Docket No. C-1381]

PART 13—PROHIBITED TRADE PRACTICES

Morton Manufacturing Co.; Correction

In F.R. Doc. 68-10972, appearing on page 12840 in the issue of September 11, 1968, paragraph (2) appearing in the third column is corrected to read as follows:

(2) Paying, granting, or allowing, directly or indirectly, to any railroad, or to anyone acting for, or in behalf of, any railroad, anything of value as a refund, rebate, discount, or allowance in order to induce such railroad to influence railroad car builders to purchase, or contract to purchase, said products, unless such refunds, rebates, discounts, or allowances are defensible under subsections (a) or (b) of section 2 of the Clayton Act, as amended.

Issued: October 17, 1968.

By the Commission.

[SEAL] JOSEPH W. SHEA, *Secretary.*

[F.R. Doc. 68-13629; Filed, Nov. 12, 1968; 8:46 a.m.]

[Docket No. C-1439]

PART 13—PROHIBITED TRADE PRACTICES

Zado Goldenberg, Inc., et al.

Subpart: Importing, selling, or transporting flammable wear: § 13.1060 *Importing, selling, or transporting flammable wear.*

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended, 67 Stat. 111, as amended; 15 U.S.C. 45, 1191) [Cease and desist order, Zado Goldenberg, Inc., et al., San Francisco, Calif., Docket C-1439, Oct. 17, 1968]

In the Matter of Zado Goldenberg, Inc., a Corporation, and Evan C. Goldenberg and Frances C. Goldenberg, Individually and as Officers of Said Corporation

Consent order requiring a San Francisco, Calif., importer of textile fiber products to cease marketing dangerously flammable products.

The order to cease and desist, including further order requiring report of compliance therewith, is as follows:

It is ordered, That respondents Zado Goldenberg, Inc., a corporation, and its officers, and Evan C. Goldenberg and Frances C. Goldenberg, individually and as officers of said corporation, and respondents' representatives, agents, and employees, directly or through any corporate or other device, do forthwith cease and desist from manufacturing for sale, selling, offering for sale, in commerce, or importing into the United States, or introducing, delivering for introduction, transporting or causing to be transported in commerce, or selling or delivering after sale or shipment in commerce, any product, as "commerce" and "product" are defined in the Flammable Fabrics Act, as amended, which fails to conform to an applicable standard or regulation continued in effect, issued or amended under the provisions of the aforesaid Act.

It is further ordered, That the respondents herein shall, within ten (10) days after service upon them of this order, file with the Commission an interim special report in writing setting forth the respondents' intentions as to compliance with this order. This interim special report shall also advise the Commission fully and specifically concerning the identity of the product which gave rise to the complaint, (1) the amount of such product in inventory, (2) any action taken to notify customers of the flammability of such product and the results thereof and (3) any disposition of such product since March 14, 1968. Such report shall further inform the Commission whether respondents have in inventory any fabric, product or related material having a plain surface and made of silk, rayon, or cotton or combinations thereof in a weight of 2 ounces or less per square yard or fabric with a raised fiber surface made of cotton or rayon or combinations thereof. Respondents will submit samples of any such fabric, product or related material with this report. Samples of the fabric, product or related material shall be of no less than 1 square yard of material.

It is further ordered, That the respondent corporation shall forthwith distribute a copy of this order to each of its operating divisions.

It is further ordered, That the respondents herein shall, within sixty (60) days after service upon them of this order, file with the Commission a report, in writing, setting forth in detail the manner and form of their compliance with this order.

Issued: October 17, 1968.

By the Commission.

[SEAL] JOSEPH W. SHEA, *Secretary.*

[F.R. Doc. 68-13630; Filed, Nov. 12, 1968; 8:46 a.m.]

PART 15—ADMINISTRATIVE OPINIONS AND RULINGS

Sales Below Cost Provision in Ethical Advertising Guide

§ 15.305 Sales below cost provision in ethical advertising guide.

(a) In Advisory Opinion Digest No. 249 (§ 15.249), the Commission announced that a trade association's proposed "Guide to Ethical Advertising Practices" was unobjectionable save for its unqualified condemnation of advertising sales below cost.

(b) The following revised sales below cost provision was subsequently found unobjectionable: "Members will not use below cost advertising as bait advertising. However, either merchandise or services or a combination of both may be offered below a member's total cost for limited periods of time in close-out sales, stock reduction sales, promoting offers, provided such offers are truthfully and nondeceptively made and the member fully performs according to his offer."

(38 Stat. 717, as amended; 15 U.S.C. 41-58; 49 Stat. 1526; 15 U.S.C. 13, as amended)

Issued: November 12, 1968.

By direction of the Commission.

[SEAL] JOSEPH W. SHEA, *Secretary.*

[F.R. Doc. 68-13614; Filed, Nov. 12, 1968; 8:46 a.m.]

Title 19—CUSTOMS DUTIES

Chapter I—Bureau of Customs, Department of the Treasury

[T.D. 68-282]

PART 1—GENERAL PROVISIONS

Customhouse, Philadelphia, Pa.

In the interest of efficiency, the Customs laboratory at Philadelphia, Pa., will be closed December 1, 1968. Presently Customs Region No. III (Baltimore, Md.) is serviced by the Customs laboratories at Philadelphia, Pa., and Baltimore, Md. Upon the closing of the Philadelphia laboratory, services required by Customs Region No. III will be supplied by the Baltimore laboratory.

To effect this change the table in § 1.6 of the Customs Regulations is amended by deleting therefrom:

Customhouse, Philadelphia, Pa..... III

(R.S. 251, Sec. 624, 46 Stat. 759; 5 U.S.C. 301, 19 U.S.C. 66, 1624)

This amendment shall become effective December 1, 1968.

[SEAL] DAVID C. ELLIS,
Acting Commissioner of Customs.

Approved: November 6, 1968.

JOSEPH M. BOWMAN,
Assistant Secretary of the Treasury.

[F.R. Doc. 68-13653; Filed, Nov. 12, 1968; 8:48 a.m.]

Title 21—FOOD AND DRUGS

Chapter I—Food and Drug Administration, Department of Health, Education, and Welfare

PART 121—FOOD ADDITIVES

Subpart C—Food Additives Permitted in Feed and Drinking Water of Animals or for the Treatment of Food-Producing Animals

Subpart D—Food Additives Permitted in Food for Human Consumption

METOSERPATE HYDROCHLORIDE

A. The Commissioner of Food and Drugs, having evaluated the data submitted in a petition filed by The Gland-O-Lac Co., 19th and Leavenworth Streets, Omaha, Nebr. 86101, and other relevant material, concludes that the food additive regulations should be amended to provide for the safe use of metoserpate hydrochloride (in the notice of filing the term "methyl 18-epi-reserpate methyl ether hydrochloride" was used) in the drinking water of replacement chickens. Therefore, pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (sec. 409(c)(1), 72 Stat. 1786; 21 U.S.C. 348(c)(1)) and under the authority delegated to the Commissioner (21 CFR 2.120), Part 121 is amended by adding to Subpart C the following new section:

§ 121.324 Metoserpate hydrochloride.

The food additive metoserpate hydrochloride may be safely used in accordance with the following prescribed conditions:

(a) The additive is the chemical methyl-*o*-methyl-18-epireserpate hydrochloride ($C_{24}H_{32}N_2O_5 \cdot HCl$).

(b) It is used or intended for use as follows:

METOSERPATE HYDROCHLORIDE IN DRINKING WATER

	Amount	Limitations	Indications for use
Metoserpate hydrochloride.	568.5 mg. per gal. (0.015%).	To be used one time as a treatment for replacement chickens up to 16 weeks of age; usual drinking water should be withheld prior to treatment to provide adequate consumption of medicated drinking water; not for use in laying chickens; chickens slaughtered within 72 hours following treatment must not be used for food.	As a tranquilizer for flock treatment of chickens prior to handling.

(c) To assure safe use, the label and labeling of the additive or any final dosage form of the additive shall bear in addition to the other information required by the act, the following:

(1) The name of the additive.

(2) A statement of the quantity of the additive contained therein.

(3) Adequate directions and warnings for use.

B. Based upon an evaluation of the data before him and proceeding under the authority of the act (sec. 409(c)(4), 72 Stat. 1786; 21 U.S.C. 348(c)(4)), delegated as cited above, the Commissioner further concludes that a tolerance is required to assure that edible tissues of chickens treated with the additive in accordance with § 121.324 are safe for human consumption. Accordingly, Part 121 is amended by adding to Subpart D the following new section:

§ 121.1222 Metoserpate hydrochloride.

A tolerance of 0.02 part per million is established for negligible residues of metoserpate hydrochloride (methyl-*o*-methyl-18-epireserpate hydrochloride) in edible tissues of chickens.

Any person who will be adversely affected by the foregoing order may at any time within 30 days from the date of its publication in the FEDERAL REGISTER file with the Hearing Clerk, Department of Health, Education, and Welfare, Room 5440, 330 Independence Avenue SW., Washington, D.C. 20201, written objections thereto, preferably in quintuplicate. Objections shall show wherein the person filing will be adversely affected by the order and specify with particularity the provisions of the order deemed objectionable and the grounds for the objections. If a hearing is requested, the objections must state the issues for the hearing. A hearing will be granted if the objections are supported by grounds legally sufficient to justify the relief sought. Objections may be accompanied by a memorandum or brief in support thereof.

Effective date. This order shall become effective on the date of its publication in the FEDERAL REGISTER.

(Sec. 409(c)(1), (4), 72 Stat. 1786; 21 U.S.C. 348(c)(1), (4))

Dated: November 5, 1968.

J. K. KIRK,
Associate Commissioner for Compliance.

[F.R. Doc. 68-13641; Filed, Nov. 12, 1968; 8:47 a.m.]

Title 26—INTERNAL REVENUE

Chapter I—Internal Revenue Service, Department of the Treasury

SUBCHAPTER A—INCOME TAX

[T.D. 6981]

PART 1—INCOME TAX; TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1953

Foreign Base Company Services Income

On February 22, 1967, there was published in the FEDERAL REGISTER (32 F.R. 3155) a notice of proposed rule making with respect to the amendment of the Income Tax Regulations (26 CFR Part 1) under section 954(e) of the Internal Revenue Code of 1954 in order to revise provisions for determining when services are performed for, or on behalf of, related persons. After consideration of all such relevant matter as was presented by interested persons regarding the rules proposed, the amendment is hereby adopted to read as set forth below, effective for taxable years of foreign corporations beginning after December 31, 1962, and for taxable years of U.S. shareholders within which, or with which, such taxable years of such foreign corporations end:

Paragraph (b) of § 1.954-4 is amended by revising subparagraph (1)(iv), by deleting the second and third sentences of subparagraph (1), by redesignating subparagraph (2) as subparagraph (3) and adding a new subparagraph (2), by redesignating examples (3) through (9) in subparagraph (3) as so redesignated as examples (4) through (10), by deleting example (2) in subparagraph (3) as so redesignated and inserting in lieu thereof new examples (2) and (3), and by revising example (7) as so redesignated. These amended and added provisions read as follows:

§ 1.954-4 Foreign base company services income.

* * * * *

(b) *Services performed for, or on behalf of, a related person*—(1) *Specific cases.* * * *

(iv) Substantial assistance contributing to the performance of such services has been furnished by a related person or persons.

(2) *Special rules*—(i) *Guaranty of performance.* Subparagraph (1)(ii) of

this paragraph shall not apply with respect to services performed by a controlled foreign corporation pursuant to a contract the performance of which is guaranteed by a related person, if (*a*) the related person's sole obligation with respect to the contract is to guarantee performance of such services, (*b*) the controlled foreign corporation is fully obligated to perform the services under the contract, and (*c*) the related person (or any other person related to the controlled foreign corporation) does not in fact (*1*) pay for performance of, or perform, any of such services the performance of which is so guaranteed or (2) pay for performance of, or perform, any significant services related to such services. If the related person (or any other person related to the controlled foreign corporation) does in fact pay for performance of, or perform, any of such services or any significant services related to such services, subparagraph (1)(ii) of this paragraph shall apply with respect to the services performed by the controlled foreign corporation pursuant to the contract the performance of which is guaranteed by the related person, even though such payment or performance is not considered to be substantial assistance for purposes of subparagraph (1)(iv) of this paragraph. For purposes of this subdivision, a related person shall be considered to guarantee performance of the services by the controlled foreign corporation whether it guarantees performance of such services by a separate contract of guaranty or enters into a service contract solely for purposes of guaranteeing performance of such services and immediately thereafter assigns the entire contract to the controlled foreign corporation for execution.

(ii) *Application of substantial assistance test.* For purposes of subparagraph (1)(iv) of this paragraph—

(*a*) Assistance furnished by a related person or persons to the controlled foreign corporation shall include, but shall not be limited to, direction, supervision, services, know-how, financial assistance (other than contributions to capital), and equipment, material, or supplies.

(*b*) Assistance furnished by a related person or persons to a controlled foreign corporation in the form of direction, supervision, services, or know-how shall not be considered substantial unless either (*1*) the assistance so furnished provides the controlled foreign corporation with skills which are a principal element in producing the income from the performance of such services by such corporation or (2) the cost to the controlled foreign corporation of the assistance so furnished equals 50 percent or more of the total cost to the controlled foreign corporation of performing the services performed by such corporation. The term "cost", as used in this subdivision (*b*), shall be determined after taking into account adjustments, if any, made under section 482.

(*c*) Financial assistance (other than contributions to capital), equipment, material, or supplies furnished by a related person to a controlled foreign corporation shall be considered assistance only in that amount by which the consideration actually paid by the controlled foreign corporation for the purchase or use of such item is less than the arm's length charge for such purchase or use. The total of such amounts so considered to be assistance in the case of financial assistance, equipment, material, and supplies furnished by all related persons shall be compared with the profits derived by the controlled foreign corporation from the performance of the services to determine whether the financial assistance, equipment, material, and supplies furnished by a related person or persons are by themselves substantial assistance contributing to the performance of such services. For purposes of this subdivision (*c*), determinations shall be made after taking into account adjustments, if any, made under section 482 and the term "consideration actually paid" shall include any amount which is deemed paid by the controlled foreign corporation pursuant to such an adjustment.

(*d*) Even though assistance furnished by a related person or persons to a controlled foreign corporation in the form of direction, supervision, services, or know-how is not considered to be substantial under (*b*) of this subdivision and assistance furnished by a related person or persons in the form of financial assistance (other than contributions to capital), equipment, material, or supplies is not considered to be substantial under (*c*) of this subdivision, such assistance may nevertheless constitute substantial assistance when taken together or in combination with other assistance furnished by a related person or persons which in itself is not considered to be substantial.

(*e*) Assistance furnished by a related person or persons to a controlled foreign corporation in the form of direction, supervision, services, or know-how shall not be taken into account under (*b*) or (*d*) of this subdivision unless the assistance so furnished assists the controlled foreign corporation directly in the performance of the services performed by such corporation.

(3) *Illustrations.* The application of this paragraph may be illustrated by the following examples:

* * * * *

Example (*2*). Controlled foreign corporation B enters into a contract with an unrelated person to drill an oil well in a foreign country. Domestic corporation M owns all the outstanding stock of B Corporation. Corporation B employs a relatively small clerical and administrative staff and owns the necessary well-drilling equipment. Most of the technical and supervisory personnel who oversee the drilling of the oil well by B Corporation are regular employees of M Corporation who are temporarily employed by B Corporation. In addition, B Corporation hires on the open market unskilled and semiskilled laborers to work on the drilling project. The services performed by B Corporation under the well-drilling contract are performed for, or on behalf of, a related person for purposes of section 954(e) because the services of the technical and supervisory personnel which are provided by M Corporation are of substantial assistance in the performance of such contract in that they assist B Corporation directly in the execution of the contract and provide B Corporation with skills which are a principal element in producing the income from the performance of such contract.

Example (*3*). Controlled foreign corporation F enters into a contract with an unrelated person to construct a dam in a foreign country. Domestic corporation M owns all the outstanding stock of F Corporation. Corporation F leases or buys from M Corporation, on an arm's length basis, the equipment and material necessary for the construction of the dam. The technical and supervisory personnel who design and oversee the construction of the dam are regular full-time employees of F Corporation who are not on loan from any related person. The principal clerical work, and the financial accounting, required in connection with the construction of the dam by F Corporation are performed, on a remunerated basis, by full-time employees of M Corporation. All other assistance F Corporation requires in completing the construction of the dam is paid for by that corporation and furnished by unrelated persons. The services performed by F Corporation under the contract for the construction of the dam are not performed for, or on behalf of, a related person for purposes of section 954(e) because the clerical and accounting services furnished by M Corporation do not assist F Corporation directly in the performance of the contract.

* * * * *

Example (*7*). The facts are the same as in example (6) except that M Corporation, preparatory to entering the construction contract, prepares plans and specifications which enable the submission of bids for the contract. Since M Corporation has performed significant services related to the services the performance of which it has guaranteed, the construction of such highway by C Corporation is considered for purposes of section 954(e) to be the performance of services for, or on behalf of, M Corporation.

* * * * *

(This Treasury decision is issued under the authority contained in section 7805 of the Internal Revenue Code of 1954 (68A Stat. 917; 26 U.S.C. 7805))

[SEAL] SHELDON S. COHEN,
Commissioner of Internal Revenue.

Approved: November 7, 1968.

STANLEY S. SURREY,
Assistant Secretary of the Treasury.

[F.R. Doc. 68-13655; Filed, Nov. 12, 1968; 8:48 a.m.]

[T.D. 6982]

PART 1—INCOME TAX; TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1953

Integration of Qualified Plans With Social Security Act

On July 6, 1968, notice of proposed rule making to conform the Income Tax Regulations (26 CFR Part 1) under section 401 of the Internal Revenue Code of 1954 to reflect the Social Security Amendments of 1965 (79 Stat. 286) and the Social Security Amendments of 1967 (81 Stat. 821), was published in the FEDERAL REGISTER (33 F.R. 9781). After consideration of all such relevant matter as

was presented by interested persons regarding the rules proposed, the amendment of the regulations as proposed is hereby adopted, subject to the change set forth below:

Paragraph (e)(2) of § 1.401–3, as set forth in paragraph 1 of the notice of proposed rule making, is changed.

(Sec. 7805 of the Internal Revenue Code of 1954, 68A Stat. 917; 26 U.S.C. 7805)

[SEAL] SHELDON S. COHEN,
Commissioner of Internal Revenue.

Approved: November 8, 1968.

STANLEY S. SURREY,
Assistant Secretary of the Treasury.

In order to conform the Income Tax Regulations (26 CFR Part 1) to reflect the Social Security Amendments of 1965 (79 Stat. 286) and the Social Security Amendments of 1967 (81 Stat. 821) such regulations are amended as follows:

PARAGRAPH 1. Paragraph (e)(2) of § 1.401–3 is amended to read as follows:

§ 1.401–3 Requirements as to coverage.

* * * * *

(e) * * *

(2) (i) For purposes of determining whether a plan is properly integrated with the Social Security Act, the amount of old-age and survivors insurance benefits which may be considered as attributable to employer contributions under the Federal Insurance Contributions Act is computed on the basis of the following:

(*a*) The rate at which the maximum monthly old-age insurance benefit is provided under the Social Security Act is considered to be the average of (*1*) the rate at which the maximum benefit currently payable under the Act (i.e., in 1968) is provided to an employee retiring at age 65, and (2) the rate at which the maximum benefit ultimately payable under the Act (i.e., in 2006) is provided to an employee retiring at age 65. The resulting figure is 36 percent of the average monthly wage on which such benefit is computed.

(*b*) The total old-age and survivors insurance benefits with respect to an employee is considered to be 150 percent of the employee's old-age insurance benefits. The resulting figure is 54 percent of the average monthly wage on which it is computed.

(*c*) In view of the fact that social security benefits are funded through equal contributions by the employer and employee, 50 percent of such benefits is considered attributable to employer contributions. The resulting figure is 27 percent of the average monthly wage on which the benefit is computed.

Under these assumptions, the maximum old-age and survivors insurance benefits which may be attributed to employer contributions under the Federal Insurance Contributions Act is an amount equal to 27 percent of the earnings on which they are computed. These computations take into account all amendments to the Social Security Act through the Social Security Amendments of 1967 (81 Stat. 821). It is recognized, however, that subsequent amendments to this Act may increase the percentages described in (*a*) or (*b*) of this subdivision, or both. If this occurs, the method used in this subparagraph for determining the integration formula may result in a figure under (*c*) of this subdivision which is greater than 27 percent and a plan could be amended to adopt such greater figure in its benefit formula. In order to minimize future plan amendments of this nature, an employer may anticipate future changes in the Social Security Act by immediately utilizing such a higher figure, but not in excess of 30 percent, in developing its benefit formula.

(ii) Under the rules provided in this subparagraph, a classification of employees under a noncontributory pension or annuity plan which limits coverage to employees whose compensation exceeds the applicable integration level under the plan, will not be considered discriminatory within the meaning of section 401(a)(3)(B), where:

(*a*) The integration level applicable to an employee is his covered compensation, or is (*1*) in the case of an active employee, a stated dollar amount uniformly applicable to all active employees which is not greater than the covered compensation of any active employee, and (*2*) in the case of a retired employee, an amount which is not greater than his covered compensation. (For rules relating to determination of an employee's covered compensation, see subdivision (iv) of this subparagraph.)

(*b*) The rate at which normal annual retirement benefits are provided for any employee with respect to his average annual compensation in excess of the plan's integration level applicable to him does not exceed 30 percent.

(*c*) Average annual compensation is defined to mean the average annual compensation over the highest 5 consecutive years.

(*d*) There are no benefits payable in case of death before retirement.

(*e*) The normal form of retirement benefit is a straight life annuity, and if there are optional forms, the benefit payments are adjusted so that the total value of the optional form is the same as the value of the normal form of retirement benefits.

(*f*) In the case of any employee who reaches normal retirement age before completion of 15 years of service with the employer, the rate at which normal annual retirement benefits are provided for him with respect to his average annual compensation in excess of the plan's integration level applicable to him does not exceed 2 percent for each year of service.

(*g*) Normal retirement age is not lower than age 65 for men and not lower than age 60 for women.

(*h*) Benefits payable in case of retirement or severance of employment before normal retirement age cannot exceed the actuarial equivalent of that proportion of the maximum normal retirement benefits, which might be provided in accordance with (*a*) through (*g*) of this subdivision, earned to the date of actual retirement or severance where such proportion is determined by the ratio that the actual number of years of service of the employee at retirement or severance bears to the total number of years of service he would have had if he had remained in service until normal retirement age.

(iii) (*a*) If a plan was properly integrated with old-age and survivors insurance benefits on July 5, 1968 (hereinafter referred to as an "existing plan"), then, notwithstanding the fact that such plan does not satisfy the requirements of subdivision (ii) of this subparagraph, it will continue to be considered properly integrated with such benefits until January 1, 1972. Such plan will be considered properly integrated after December 31, 1971, so long as the benefits provided under the plan for each employee equal the sum of—

(*1*) The benefits to which he would be entitled under a plan which, on July 5, 1968, would have been considered properly integrated with old-age and survivors insurance benefits and under which benefits are provided at the same (or a lesser) rate with respect to the same portion of compensation with respect to which benefits are provided under the existing plan, multiplied by the percentage of his total service with the employer performed before a specified date not later than January 1, 1972; and

(2) The benefits to which he would be entitled under a plan satisfying the requirements of subdivision (ii) of this subparagraph, multiplied by the percentage of his total service with the employer performed on and after such specified date.

(*b*) A plan which, on July 5, 1968, was properly integrated with old-age and survivors insurance benefits will not be considered not to be properly integrated with such benefits thereafter merely because such plan provides a minimum benefit for each employee (other than an employee who owns, directly or indirectly, stock possessing more than 10 percent of the total combined voting power or value of all classes of stock of the employer corporation) equal to the benefit to which he would be entitled under the plan as in effect on July 5, 1968, if he continued to earn annually until retirement the same amount of compensation as he earned in 1967.

(iv) (*a*) For purposes of this subparagraph, an employee's covered compensation is the amount of compensation with respect to which old-age and survivors insurance benefits would be provided for him under the Social Security Act (as in effect at any uniformly applicable date) if for each year until he reaches age 65 his annual compensation is at least equal to the maximum amount of earnings subject to tax in each such year under the Federal Insurance Contributions Act. An employee's covered compensation may be determined on the basis of age brackets provided in this subdivision.

(b) The age brackets referred to in (a) of this subdivision under the Social Security Act as amended by the Social Security Amendments of 1967 are as follows:

If the employee reaches age 65—	*His covered compensation is—*
Before 1969	$4,800
After 1968 but before 1972	5,400
After 1971 but before 1979	6,000
After 1978 but before 1994	6,600
After 1993 but before 2001	7,200
After 2000	7,800

(v) In the case of an integrated plan providing benefits different from those described in subdivison (ii) or (iii) (whichever is applicable) of this subparagraph, or providing benefits related to years of service, or providing benefits purchasable by stated employer contributions, or under the terms of which the employees contribute, or providing a combination of any of the foregoing variations, the plan will be considered to be properly integrated only if, as determined by the Commissioner, the benefits provided thereunder by employer contributions cannot exceed in value the benefits described in subdivision (ii) or (iii) (whichever is applicable) of this subparagraph. Similar principles will govern in determining whether a plan is properly integrated if participation therein is limited to employees earning in excess of amounts other than those specified in subdivision (iv) of this subparagraph, or if it bases benefits or contributions on compensation in excess of such amounts, or if it provides for an offset of benefits otherwise payable under the plan on account of old-age and survivors insurance benefits. Similar principles will govern in determining whether a profit-sharing or stock bonus plan is properly integrated with the Social Security Act.

* * * * *

PAR. 2. Paragraph (c)(2)(i) of § 1.401–11 is amended by revising the seventh and eighth sentences thereof and as so amended reads as follows:

§ 1.401–11 General rules relating to plans covering self-employed individuals.

* * * * *

(c) *Requirements as to coverage.* * * *

(2)(i) Section 401(a)(3)(B) provides that a plan may satisfy the coverage requirements for qualification if it covers such employees as qualify under a classification which is found not to discriminate in favor of employees who are officers, shareholders, persons whose principal duties consist in supervising the work of other employees, or highly compensated employees. Section 401(a)(5) sets forth certain classifications that will not in themselves be considered discriminatory. Under such section, a classification which excludes all employees whose entire remuneration constitutes "wages" under section 3121(a)(1), will not be considered discriminatory merely because of such exclusion. Similarly, a plan which includes all employees will not be considered discriminatory solely because the contributions or benefits based on that part of their remuneration which is excluded from "wages" under section 3121(a)(1) differ from the contributions or benefits based on that part of their remuneration which is not so excluded. However, in determining if a classification is discriminatory under section 401(a)(3)(B), consideration will be given to whether the total benefits resulting to each employee under the plan and under the Social Security Act, or under the Social Security Act only, establish an integrated and correlated retirement system satisfying the tests of section 401(a). A plan which covers self-employed individuals, none of whom is an owner-employee, may also be integrated with the contributions or benefits under the Social Security Act. In such a case, the portion of the earned income (as defined in section 401(c)(2)) of such an individual which does not exceed the maximum amount which may be treated as self-employment income under section 1402(b)(1), and which is derived from the trade or business with respect to which the plan is established, shall be treated as "wages" under section 3121(a)(1) subject to the tax imposed by section 3111 (relating to the tax on employers) for purposes of applying the rules of paragraph (e)(2) of § 1.401–3, relating to the determination of whether a plan is properly integrated. However, if the plan covers an owner-employee, the rules relating to the integration of the plan with the contributions or benefits under the Social Security Act contained in paragraph (h) of § 1.401–12 apply.

PAR. 3. Paragraph (h)(3) of § 1.401–12 is amended to read as follows:

§ 1.401–12 Requirements for qualification of trusts and plans benefiting owner-employees.

* * * * *

(h) *Integration with social security.* * * *

(3) If a plan covering an owner-employee satisfies the requirement of subparagraph (1) of this paragraph, and if the employer wishes to integrate such plan with the contributions or benefits under the Social Security Act, then—

(i) The employer contributions under the plan on behalf of any owner-employee shall be reduced by an amount determined by multiplying the earned income of such owner-employee which is derived from the trade or business with respect to which the plan is established and which does not exceed the maximum amount which may be treated as self-employment income under section 1402(b)(1), by the rate of tax imposed under section 1401(a); and

(ii) The employer contributions under the plan on behalf of any employee other than an owner-employee may be reduced by an amount not in excess of the amount determined by multiplying the employee's wages under section 3121(a)(1) by the rate of tax imposed under section 3111(a). For purposes of this subdivision, the earned income of a self-employed individual which is derived from the trade or business with respect to which the plan is established and which is treated as self-employment income under section 1402(b)(1), shall be treated as "wages" under section 3121(a)(1).

* * * * *

[F.R. Doc. 68–13721; Filed, Nov. 12, 1968; 8:48 a.m.]

Title 49—TRANSPORTATION

Chapter I—Department of Transportation

[Docket No. OPS–1]

PART 190—INTERIM MINIMUM FEDERAL SAFETY STANDARDS FOR THE TRANSPORTATION OF NATURAL AND OTHER GAS BY PIPELINE

This regulation establishes interim minimum Federal safety standards for gas pipeline facilities and the transportation of natural and other gas throughout the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

Section 3(a) of the Natural Gas Pipeline Safety Act of 1968 (Public Law 90–481) which became effective August 12, 1968, provides as follows:

> As soon as practicable but not later than 3 months after the enactment of this Act, the Secretary shall, by order, adopt as interim minimum Federal safety standards for pipeline facilities and the transportation of gas in each State the State standards regulating pipeline facilities and the transportation of gas within such State on the date of enactment of this Act. In any State in which no such standards are in effect, the Secretary shall, by order, establish interim Federal safety standards for pipeline facilities and the transportation of gas in such State which shall be such standards as are common to a majority of States having safety standards for the transportation of gas and pipeline facilities on such date. Interim standards shall remain in effect until amended or revoked pursuant to this section. Any State agency may adopt such additional or more stringent standards for pipeline facilities and the transportation of gas not subject to the jurisdiction of the Federal Power Commission under the Natural Gas Act as are not incompatible with the Federal minimum standards, but may not adopt or continue in force after the interim standards provided for above become effective any such standards applicable to interstate transmission facilities.

In accordance with this requirement the Department of Transportation has obtained from each of the 50 States the District of Columbia, and Puerto Rico detailed information concerning the safety standards in each of these jurisdictions applicable to the transportation of gas by pipeline. In addition to numerous written and telephonic communications with the related State agencies, the Department held a meeting in Washington on October 2, 1968, to which both State and industry representatives were invited. At that meeting the Department outlined its plans with respect to the interim regulations and also with respect to the long range requirements imposed on it by the Natural Gas Pipeline Safety Act of 1968. A copy of the transcript of that

meeting is included in the docket containing this rule-making action and is available for public inspection at the Office of Pipeline Safety, Room 806B, 800 Independence Avenue SW., Washington, D.C.

Interim Federal safety standards for States having no standards in effect on August 12, 1968. Based on the examination of relevant materials submitted by those jurisdictions, the Department has determined that of the 52 juris lictions covered by the Natural Gas Pipeline Safety Act of 1968, only three had no standards in effect on August 12, 1968, the effective date of the Act. In accordance with section 3(a) of the Act, quoted above, and after examination of the standards in effect in all other jurisdictions covered by the Act, the Department has ascertained that the standards "common to a majority of States having safety standards for the transportation of gas and pipeline facilities" on August 12, 1968, are the standards contained in the 1968 edition of the United States of America Standards Institute "Standard Code for Pressure Piping—Gas Transmission and Distribution Piping System—USAS B31.8" (hereinafter referred to as USAS B31.8). Therefore, in accordance with section 3(a) of the Act, quoted above, section 4 of the regulation adopts that code as the interim minimum Federal safety standard for pipeline facilities and the transportation of gas within the States of Nebraska and South Dakota and the Commonwealth of Puerto Rico.

Interim Federal safety standards for States having standards in effect on August 12, 1968. As previously indicated, the Department has reviewed each State standard in effect on August 12, 1968, that applies to pipeline facilities and the transportation of gas. Most of the jurisdictions that have such standards in effect based their standards on the USAS B31.8 Code. Since a majority of the States adopted this code by incorporation by reference in a manner that automatically includes future changes, the majority are now using the 1968 edition of the Code.

While 49 of the 52 jurisdictions covered by the Natural Gas Pipeline Safety Act of 1968 had safety standards for "pipeline facilities" and the "transportation of gas" in effect on August 12, 1968, some of these State standards did not cover all of the facilities included within those terms as defined in the Act. For example, in many States the standards did not apply to interstate facilities and in some other States they did not apply to publicly owned facilities. The Department has concluded that the Congress did not intend that there would be any gaps in the applicability of the interim Federal safety standards even in those States in which the existing State standards, to be adopted as Federal standards, did not extend to interstate or publicly owned facilities. Both the Senate and House Committee Reports state that no vaccum should be permitted to exist during the period in which the Department is developing permanent standards. House Committee Report No. 1390, 90th Cong., second sess., p. 20; Senate Committee Report 733, 90th Cong., first sess., p. 8. The Congress thereby intended that the standards to be adopted as interim Federal standards would extend to the full meaning of the words "transportation of gas" and "pipeline facilities" as they are defined in the Act so as to include interstate and publicly owned facilities and any other facilities that were not covered by existing State regulations. Therefore, in § 190.5 of the regulation the Department has, in adopting a State's standards that were in effect on August 12, 1968, applied those standards to all of the gas facilities within that State that fall within the terms "transportation of gas" and "pipeline facilities" as defined in the Act. For example, if a State had adopted the USAS B31.8 1968 edition as the State standard, except for interstate transmission facilities, the interim Federal standard adopted for all facilities in that State, including interstate transmission facilities would be the USAS B31.8 1968 edition. For another example, if a State had exempted municipally owned facilities from the coverage of its standards, the interim Federal standards would apply the existing State standards to the municipally owned facilities.

Federal preemption: Interstate transmission facilities. Section 3(a) of the Natural Gas Pipeline Safety Act of 1968 states that, after the adoption of interim Federal safety standards, a State "may not adopt or continue in force * * * any such standard applicable to interstate transmission facilities". This Federal preemption relates only to State "safety standards" and does not prevent a State from continuing in effect, with respect to interstate transmission facilities, those requirements that may have served an incidental safety purpose in addition to a bona fide State purpose such as zoning or planning. For example, a State requirement that maps of planned construction of interstate transmission facilities must be filed with a State agency before construction may be commenced would continue in effect after adoption of the interim Federal standards; the State would have authority to rescind or amend the requirement.

The Department of Transportation is not yet staffed to enforce the Federal standards applicable to interstate transmission facilities. To provide for enforcement, the Department intends to authorize the States to inspect and oversee those facilities. Since the certifications and agreements provided for in section 5 (a) and (b) of the Act do not apply to such interstate facilities, § 190.6 of the regulation authorizes each State that is willing to perform the service to act as the agent of the Department for this purpose. This action will necessarily be voluntary on the part of each State and, since no funds are presently available, will be on a nonreimbursable basis until appropriations are made for that purpose.

State enforcement of interim Federal standards. Paragraphs (a) and (b) of section 5 of the Natural Gas Pipeline Safety Act of 1968 provide two means by which States may perform the major portion of the supervision and enforcement of the federally adopted standards, except with respect to interstate transmission facilities.

Paragraph (a) of section 5 of the Act provides that where a State agency (including a municipality) certifies that certain minimum criteria are met, the Federal standards shall not apply in that State to those facilities covered by the certification. These criteria, as stated in that section, are that the State agency—

(1) Has regulatory jurisdiction over the safety standards and practices of such pipeline facilities and transportation of gas; (2) has adopted each Federal safety standard applicable to such pipeline facilities and transportation of gas established under this Act as of the date of the certification; (3) is enforcing each such standard; and (4) has the authority to require record maintenance, reporting, and inspection substantially the same as are provided under section 12 of the filing for of plans of inspection and maintenance described in section 11;

After August 12, 1970, the State agency must also certify "that the law of such State agency makes provision for the enforcement of the safety standards of such State agency by way of injunctive and monetary sanctions substantially the same as are provided under sections 9 and 10" of the Act.

Paragraph (b) of section 5 of the Act provides a means for State agencies (including municipalities) to perform a large portion of the supervision and inspection of gas pipeline facilities subject to the Federal standards (except for the interstate transmission facilities) for which they are unable to submit a certification under paragraph (a). This is accomplished by agreement between the Department and the State agency (including a municipality) authorizing the State agency to—

(1) Establish an adequate program for record maintenance reporting, and inspection designed to assist compliance with Federal safety standards;

(2) Establish procedures for approval of plans of inspection and maintenance substantially the same as are required under section 11;

(3) Implement a compliance program acceptable to the Secretary including provision for inspection of pipeline facilities used in such transportation of gas; and

(4) Cooperate fully in a system of Federal monitoring of such compliance program and reporting under regulations prescribed by the Secretary.

Both the certification and agreement procedures described above are applicable to the interim minimum Federal standards. Therefore, the Department has prepared and distributed to the State agencies forms to be used in making the authorized certification or agreement. Because of the limited time available, these are necessarily interim procedures which will be reviewed and revised in the light of operating experience.

In a State which does not regulate gas utilities within municipalities and where

a municipality regulates privately owned gas utilities, the muncipality is eligible to make certifications under section 5(a) or to enter into agreements with the Department under section 5(b). Whether or not a municipality that operates a gas utility that is not State regulated will be able to take advantage of either of these methods of local implementation under section 5 will depend on an examination, in each case, of the extent to which the municipal officials who establish and enforce the applicable standards conduct these activities independently of the municipal officials who operate the utility. The Department intends in the near future to publish for public comment criteria for determining the circumstances under which a particular municipality that operates a gas utility may be eligible under sections 5 (a) and (b) of the Act.

Permanent Federal standards to replace interim standards. Section 3(b) of the Natural Gas Pipeline Safety Act of 1968 provides that "not later than twenty-four months after the enactment of this Act, and from time to time thereafter, the Secretary shall, by order, establish minimum Federal safety standards for the transportation of gas and pipeline facilities". Section 3(b) further provides that "Such standards may apply to the design, installation, inspection, testing, construction, extension, operations, replacement, and maintenance of pipeline facilities."

From our work to date, it is clear that the construction of a completely new set of standards to cover the design, installation, inspection, testing, construction, extension, operation, replacement, and maintenance of pipeline facilities, would take at least the allotted 2-year period. In the meantime the interim standards adopted by this amendment, amended if necessary to meet needs that may arise, would continue in effect. The Department realizes that as long as the interim standards are in effect, there can be substantial variation between the "Federal minimum safety standards" in two adjoining States and that these differences can exist with respect to interstate transmission lines traversing both States. To avoid the continuation of such an anomalous situation, the Department is considering the immediate establishment of USAS B31.8 as the Federal minimum standards under paragraph (b) of section 3 of the Act. This would achieve a uniform Federal code in less time than will be needed to establish the long range design and construction standards that both the Congress and this Department envision. While any proposal along these lines will be issued as a notice of proposed rule making for public comment before any final action, the Department would be interested at this time in any advance comments on this possible procedure.

In view of the requirement of section 3(a) of the Act that the Department adopt interim Federal standards not later than 3 months after the enactment of the Act, that the interim standards be those in effect on August 12, 1968, or for States having no standards those common to a majority of the States, and since the adoption of these standards does not involve the exercise of discretion, notice and public procedure on this regulation are impractical and are not required. However, the Department has the authority under section 3(a) to amend these interim standards and would of course take any action shown to be necessary by interested commenters. Therefore, interested persons may submit written comments which should identify the docket number, to the Department of Transportation, Office of Pipeline Safety, 800 Independence Avenue SW., Washington, D.C. 20590.

In consideration of the foregoing, effective December 12, 1968, the interim minimum Federal safety standards for the transportation of natural and other gas are hereby adopted as set forth below.

This regulation is adopted under the authority of the Natural Gas Pipeline Safety Act of 1968 (Public Law 90–481), Part 1 of the Regulations of the Office of the Secretary of Transportation (49 CFR Part 1), and the delegation of authority to the Director, Office of Pipeline Safety, dated November 6, 1968 (33 F.R. 16448).

Issued in Washington, D.C., on November 7, 1968.

W. C. JENNINGS,
Acting Director,
Office of Pipeline Safety.

Sec.

AUTHORITY: The provisions of this Part 190 issued under sec. 3(a) of Natural Gas Pipeline Safety Act of 1968 (Public Law 90–481).

§ 190.1 Scope.

Pursuant to section 3(a) of the Natural Gas Pipeline Safety Act of 1968 (Public Law 90–481) this part establishes interim minimum Federal safety standards for pipeline facilities, and the transportation of gas throughout the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

§ 190.2 Definitions.

As used in this part—

(a) "Person" means any individual, firm, joint venture, partnership, corporation, association, State, municipality, cooperative association, or joint stock association, and includes any trustee, receiver, assignee, or personal representative thereof;

(b) "Gas" means natural gas, flammable gas, or gas which is toxic or corrosive;

(c) "Transportation of gas" means the gathering, transmission or distribution of gas by pipeline or its storage in or affecting interstate or foreign commerce; except that it shall not include the gathering of gas in those rural locations which lie outside the limits of any incorporated or unincorporated city, town, village, or any other designated residential or commercial area such as a subdivision, a business or shopping center, a community development, or any similar populated area which the Secretary defines as a nonrural area;

(d) "Pipeline facilities" includes, without limitation, new and existing pipe, rights-of-way, and any equipment, facility, or building used in the transportation of gas or the treatment of gas during the course of transportation;

(e) "State" includes each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico;

(f) "Municipality" means a city, county, or any other political subdivision of a State;

(g) "Interstate transmission facilities" means pipeline facilities used in the transportation of gas which are subject to the jurisdiction of the Federal Power Commission under the Natural Gas Act;

(h) "Secretary" means the Secretary of Transportation or any person to whom he has delegated his authority in the matter concerned; and

(i) "USAS B31.8" means the United States of America Standard Code for Pressure Piping—Gas Transmission and Distribution Piping System published by the American Society of Mechanical Engineers.

§ 190.3 Matter incorporated by reference.

(a) *Incorporation.* There are hereby incorporated, by reference, into this part, the standards described and identified in §§ 190.4 and 190.5. These standards are thereby made part of this part. Standards subject to change are incorporated as they are in effect on August 12, 1968.

(b) *Availability.* The standards incorporated into this part by reference are available as set forth below. In addition all incorporated standards are available for inspection in the Office of Pipeline Safety, Department of Transportation, Room 806B, 800 Independence Avenue SW., Washington, D.C.

(1) USAS Standard Code for Pressure Piping—Gas Transmission and Distribution Piping Systems—B31.8—United States of America Standards Institute, 10 East 40th Street, New York, N.Y. 10016.

(2) State codes incorporated by reference at the addresses shown in § 190.5(c).

§ 190.4 Interim minimum Federal safety standards for States in which no standards were in effect on August 12, 1968.

(a) Section 3(a) of the Natural Gas Pipeline Safety Act of 1968 requires the establishment as interim minimum Federal safety standards for pipeline facilities and the transportation of gas, in each State in which no such standards were in effect on August 12, 1968, standards

as are common to a majority of States having safety standards.

(b) Based on a review of the standards in the jurisdictions having such standards in effect on August 12, 1968, it is found that the standards common to a majority of the States having standards are the standards contained in the 1968 edition of the USAS B31.8.

(c) In accordance therewith, the interim minimum Federal safety standards for pipeline facilities and the transportation of gas in the States of Nebraska and South Dakota and the Commonwealth of Puerto Rico are the standards set forth in the 1968 edition of the USAS B31.8.

§ 190.5 Interim minimum Federal safety standards for pipeline facilities and the transportation of gas in States with standards in effect on August 12, 1968.

(a) Section 3(a) of the Natural Gas Pipeline Safety Act of 1968 requires the Secretary to adopt as interim minimum safety standards for pipeline facilities and the transportation of gas in States with standards in effect on August 12, 1968, the State standards in effect on that date.

(b) In accordance with paragraph (a) of this section, the interim minimum Federal safety standards for pipeline facilities and the transportation of gas for the States and the District of Columbia listed in paragraph (c) of this section are those portions of the standards set forth in the document referenced following the name of that jurisdiction that are safety standards relating to the transportation of gas and pipeline facilities, as in effect on August 12, 1968. The incorporation by reference in this section of a regulation includes both the substantive and the procedural requirements of that regulation. Notwithstanding any exceptions (whether geographic, relating to kinds of facilities covered, or otherwise) contained in a regulation incorporated by reference in this section, the minimum Federal safety standards adopted apply as Federal standards to all pipeline facilities and to all transportation of gas in that State.

(c) The State standards incorporated by reference are:

Alabama—Commission Docket 15957—Special Gas Rules and Informal Docket U-2222.
Alabama Public Service Commission, Post Office Box 991, State Office Building, Montgomery, Ala. 36102.

Alaska—Chapter 95—Gas Utility Safety Regulations.
Alaska Public Service Commission, 700 MacKay Building, 338 Denali Street, Anchorage, Alaska 99501.

Arizona—General Order U-47.
Arizona Corporation Commission State Capitol Annex, Phoenix, Ariz. 85007.

Arkansas—Arkansas Gas Pipeline Code as adopted in Administrative Order on April 11, 1967.
Public Service Commission, Justice Building, Little Rock, Ark. 72201.

California—General Order No. 94-A—Rules Governing the Design, Construction, Operation, Maintenance, and Inspection of Gas Holders and Liquid Hydrocarbon Vessels.
General Order No. 112-B—Rules Govering Design, Construction, Testing, Maintenance, and Operation of California Utility Gas Transmission and Distribution Systems.
Public Utilities Commission, State of California, California State Building, San Francisco, Calif. 94102.

Colorado—Rules 4, 18, and 24 of Rules Regulating the Service of Gas Utilities, Public Utilities Commission of the State of Colorado Case No. 5321, Decision No. 68570.
Public Utilities Commission, State of Colorado, 1845 Sherman Street, Denver, Colo. 80203.

Connecticut—Docket No. 8950, sections 1.01 through 2.03, 3.05, 3.06, and 6.01 through 7.06 of Gas Distribution Companies Rules, Regulations and Standards and, Docket 10050—Regulations for High Pressure Natural Gas Transmission Pipelines.
Public Utilities Commission, State Office Building, 165 Capitol Avenue, Hartford, Conn. 06115.

Delaware—PSC Docket No. 496, Order No. 890.
The Public Service Commission, Old State House, Dover, Del. 19901.

Florida—Chapter 310-12 of the Rules of Florida Public Service Commission, as amended by Emergency Order No. 4369, Docket No. 5563.
Florida Public Service Commission, 700 South Adams Street, Tallahassee, Fla. 32304.

Georgia—Nondocket Order Dated April 23, 1968. In Re: Rules and Regulations for the Safe Installation and Operation of Natural Gas Transmission and Distribution Facilities.
Georgia Public Service Commission, 244 Washington Street SW., Atlanta, Ga. 30334.

Hawaii—Standards for Gas Service, Calorimetry, Holders and Vessels—General Order No. 9, Chapter I, Parts I, II, V, VIII, and Chapter III.
Public Utilities Commission, Department of Regulatory Agencies, Post Office Box 541, Honolulu, Hawaii 96809.

Idaho—Safety Regulations and Service Standards, Sections I through III; General Order No. 98 issued August 1, 1955, as amended.
Idaho Public Utilities Commission, Statehouse, Boise, Idaho 83707.

Illinois—General Order No. 43—Rules Governing Reports of Accidents by Public Utilities Other Than Railroads and Street Railroads; General Order No. 185, Rules Relating to Underground Public Utility Facilities; and General Order No. 192, Revised, Rules for the Construction and Operation of Gas Transmission and Distribution Piping Systems.
Illinois Commerce Commission, 401 South Spring Street, Springfield, Ill. 62706.

Indiana—Rules 1 through 5, 22, and 24 of the Rules and Standards of Service for the Gas Public Utilities of Indiana.
Public Service Commission, 901 State Office Building, Indianapolis, Ind. 46204.

Iowa—Iowa Departmental Rules (1966), Rule PL 94, and 103 through 109.
Iowa State Commerce Commission, State Capitol, Des Moines, Iowa 50310.

Kansas—Sections 1, 2, and 7 and so much of section 8 as applies to section 7 of the Rules and Regulations Relating to Standards of Quality, Pressure, Accuracy of Measurement, Safety and Service of Natural Gas in the State of Kansas, Docket 34, 856-U.
State Corporation Commission, State Office Building, Fourth Floor, Topeka, Kans. 66612.

Kentucky—Rules I through III and VI of PSC: Gas-1 and Rules I through VI of PSC: Gas, SP-1.
Legislative Research Commission, Frankfort, Ky. 40601.

Louisiana—Resolution of the Louisiana Public Service Commission relating to uniform Safety Standards for Pipeline Facilities and Transportation, Distribution, and Storage of Gas dated February 14, 1968.
Louisiana Public Service Commission, Post Office Box 44035, Baton Rouge, La. 70804.

Maine—Maine Public Utilities Commission General Order No. 27.
Public Utilities Commission, Augusta, Maine 04330.

Maryland—Sections 101 through 203, 501 through 504, and 801 through 807 of the Public Service Commission of Maryland Regulations Governing Service Supplied by Gas Companies, Case 5905.
Public Service Commission, Engineering Department, 301 West Preston Street, Baltimore, Md. 21201.

Massachusetts—D.P.U. 12769, June 21, 1960, D.P.U. 9734-B, January 23, 1963, D.P.U. 11725-C, February 15, 1967, D.P.U. 11725-D, July 31, 1968.
Massachusetts Department of Public Utilities, Engineering Division, 100 Cambridge Street, Boston, Mass. 02202.

Michigan—Michigan Administrative Code, R460.2804 through R460.2879.
Michigan Public Service Commission, Fifth Floor, Lewis Cass Building, Lansing, Mich. 48913.

Minnesota—Section (b)(6) of the Liquified Petroleum Gas Code.
State of Minnesota, Fire Marshall Department, St. Paul, Minn. 55101.

Mississippi—Mississippi Public Service Commission Order U-1416, dated August 31, 1967.
Mississippi Public Service Commission, 1105 Woolfolk Building, Post Office Box 1174, Jackson, Miss. 39201.

Missouri—Public Service Commission General Order No. 45.
Missouri Public Service Commission, 100 East Capitol Avenue, Jefferson City, Mo. 65101.

Montana—Rules and Regulations for Implementation of USASI B31.8 Code adopted February 28, 1968, effective March 15, 1968.
Public Service Commission of Montana, Helena, Mont. 59601.

Nevada—Supplemental Order, Case No. 1269.2, September 9, 1963.
Public Service Commission of Nevada, Nye Building, Carson City, Nev. 89701.

New Hampshire—Sections I, II, and VI through VIII of the "Rules and Regulations Prescribing Standards for Gas Utilities".
Public Utilities Commission, Concord, N.H. 03301.

New Jersey—Board of Public Utility Commissioners Administrative Order 14:295.
State of New Jersey, Department of Public Utilities, Board of Public Utilities, Regulations, Chapter IV, Sections 14:442–1, 14:442–1a, 14:442–2a, 14:443–4, 4a, 4b, and 4c.
Board of Public Utility Commissioners, 1100 Raymond Boulevard, Newark, N.J. 07102.

New Mexico—Rules and Regulations of the Corporation Commission of the State of New Mexico Relating to Gas Pipelines.
New Mexico Public Service Commission, State Capitol Building, Sante Fe, N. Mex. 87501.

New York—Parts 255, 256, and 257 of Title 16 of the Official Compilation of Codes, Rules, and Regulations of the State of New York.
Public Service Commission, 44 Holland Avenue, Albany, N.Y. 12208.

North Carolina—Articles 1, 2, 5, and 8 of Chapter 6 of the Rules and Regulations of the North Carolina Utilities Commission.
Utilities Commission, Box 991, Raleigh, N.C. 27602.

North Dakota—Public Service Commission Gas Piping Safety Code adopted February 13, 1968.
Public Service Commission, State Capitol Building, Bismarck, N. Dak. 58501.

Ohio—Administrative Order No. 200 Revised.
Public Utilities Commission of Ohio, 111 North High Street, Columbus, Ohio 43215.

Oklahoma—Cause No. 23643, Order No. 66094.
Corporation Commission of Oklahoma, Jim Thorpe Office Building, Oklahoma City, Okla. 73105.

Oregon—Oregon Public Utility Commissioners, 1968, Division II, Rules and Regulations 24–005 through 24–015, and 24–340 through 24–400.
Secretary of State, 121 State Capitol, Salem, Oreg. 97310.

Pennsylvania—Section 201, and Rules 1, 21, 23, 24, and 25 of section 202 of the Pennsylvania Public Utility Commission Gas Regulations.
Pennsylvania Public Utility Commission, Post Office Box 3265, Harrisburg, Pa. 17120.

Rhode Island—Sections 20 through 28 of the Rules and Regulations Prescribing Standards for Gas Utilities.
Department of Business Regulation, Division of Public Utilities, 49 Westminster Street, Providence, R.I. 02903.

South Carolina—The Rules and Regulations Governing the Operation of Gas Utilities in South Carolina, except sections 301 through 406, sections 601 through 609.
The Public Service Commission of South Carolina, 328 Wade Hampton Office Building, Columbia, S.C. 29201.

Tennessee—Tennessee Public Service Commission Rule 57: Adoption of American Standard Code for Pressure Piping, Gas Transmission and Distribution Systems.
Tennessee Public Service Commission, Cordell Hull Building, Nashville, Tenn. 37219.

Texas—Gas Utility Docket No. 377.
Gas Utilities Division, Railroad Commission of Texas, Box EE, Capitol Station, Austin, Tex. 78711.

Utah—Sections 1.01 through 1.08, 2.02, 3.05, and 6.01 through 7.05 of General Order No. 70 of the Public Service Commission of Utah.
Public Service Commission of Utah, 330 East Fourth South Street, Salt Lake City, Utah 84111.

Vermont—General Order No. 41, Rules and Regulations Applicable to Construction and Opration of Gas Transmission Pipelines.
General Order No. 42, Rules and Regulations Applicable to Construction and Operation of Gas Distribution Systems.
Section 16, 25, 26, and 27 of General Order No. 43, Rules and Regulations Prescribing Standards for Gas Utilities.
State of Vermont, Public Service Board, 7 School Street, Montpelier, Vt. 05602.

Virginia—Orders issued by the Virginia State Corporation Commission in Case No. 18151.
State Corporation Commission, Engineering Division, Box 1197, Richmond, Va. 23209.

Washington—Washington Utilities and Transportation Commission's Rules and Regulations Pertaining to Matters of Public Safety in the Construction and Operation of Facilities for the Transmission and Distribution of Gas.
Washington Utilities and Transportation Commission, Insurance Building, Olympia, Wash. 98501.

West Virginia—Rules 8, 9, 10, 45, and 46 of the West Virginia Public Service Commission's Rules and Regulations for the Government of Gas Utilities.
West Virginia Public Service Commission, Charleston, W. Va. 25305.

Wisconsin—Chapter PSC 135, Wisconsin Administrative Code
Department of Administration, Document Sales, Room B243, 1 West Wilson Street, Madison, Wis. 53702.

Wyoming—Rules 44 and 64.1 of Part III of the Rules of the Public Service Commission of Wyoming.
State of Wyoming, Public Service Commission, Cheyenne, Wyo. 82001.

District of Columbia—Code of Rules and Regulations for the Construction and Maintenance of Gas Pipelines in the District of Columbia—P.S.C. No. G.A.–13.
Public Service Commission, District of Columbia, Room 204 1625 Eye Street NW., Washington, D.C. 20006.

§ 190.6 Action by States as agents of the Department of Transportation with respect to interstate transmission facilities.

(a) Any State agency of any State having authority, under the laws of that State, to exercise safety jurisdiction over interstate transmission facilities and that desires to exercise that authority as an agent of the Secretary of Transportation, is hereby authorized to do so. Each State agency exercising that authority shall notify the Director, Office of Pipeline Safety, in writing, of its intention to exercise that authority.

(b) Whenever a State procedural requirement incorporated under § 190.5 would require, with respect to interstate transmission facilities, the submission of any plans or other data to a State agency that requirement continues in effect and that State agency is to act as an agent of the Department under paragraph (a) of this section in receiving those documents.

Incorporation by reference provisions approved by the Director of the Federal Register on November 12, 1968.

[F.R. Doc. 68–13689; Filed, Nov. 12, 1968; 8:48 a.m.]

Proposed Rule Making

DEPARTMENT OF AGRICULTURE

Consumer and Marketing Service

[7 CFR Parts 1030, 1047, 1049]

[Docket Nos. AO-319-A14, AO-33-A39, AO-361-A1]

MILK IN INDIANAPOLIS, IND., FORT WAYNE, IND., AND CHICAGO REGIONAL MARKETING AREAS

Notice of Recommended Decision and Opportunity To File Written Exceptions on Proposed Amendments to Tentative Marketing Agreements and to Orders

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), notice is hereby given of the filing with the Hearing Clerk of this recommended decision with respect to proposed amendments to the tentative marketing agreements and orders regulating the handling of milk in the Indianapolis, Ind., Fort Wayne, Ind., and Chicago Regional marketing areas.

Interested parties may file written exceptions to this decision with the Hearing Clerk, U.S. Department of Agriculture, Washington, D.C. 20250, by the 15th day after publication of this decision in the FEDERAL REGISTER. The exceptions should be filed in quadruplicate. All written submissions made pursuant to this notice will be made available for public inspection at the office of the Hearing Clerk during regular business hours (7 CFR 1.27(b)).

PRELIMINARY STATEMENT

The hearing on the record of which the proposed amendments, as hereinafter set forth, to the tentative marketing agreements and to the orders as amended, were formulated, was conducted at Indianapolis, Ind., on July 29 and 30, 1968, pursuant to notices thereof which were issued July 13, 1968 (33 F.R. 10104), and July 19, 1968 (33 F.R. 10346).

The material issues on the record of the hearing relate to:

1. Merger of the Fort Wayne, Ind., order into the Indianapolis, Ind., order and inclusion in the regulated marketing area of certain additional Indiana counties regulated under the Chicago Regional order and certain other Indiana counties not currently under regulation:

(a) Interstate commerce.

(b) Need for such merger and expansion of the Indianapolis marketing area.

2. Class I price level and differentials for butterfat and location.

3. Revision of "producer milk" definition with respect to diversions of milk and point of pricing for diverted milk.

4. Miscellaneous administrative and conforming changes:

(a) Definitions of "producer," "route," and "fluid milk product."

(b) Plant requirements for pooling.

(c) Interplant transfers and diversions.

(d) Application of seasonal incentive (Louisville) plan.

(e) Other administrative provisions.

FINDINGS AND CONCLUSIONS

The following findings and conclusions on the material issues are based on evidence presented at the hearing and the record thereof:

1. Merger of the Fort Wayne, Ind., order with the Indianapolis, Ind., order and further expansion of the combined marketing area to include certain unregulated Indiana counties and eight Indiana counties presently included in the Chicago Regional order.

The expanded marketing area covered by the consolidated order should be designated the "Indiana marketing area". CFR Part 1047 of Title 7 (Fort Wayne, Ind., Order No. 47) would be superseded thereby.

(a) *Interstate commerce.* Milk handling in the proposed Indiana marketing area is in the current of interstate commerce and directly burdens, obstructs, or affects interstate commerce in milk and its products.

There is substantial competition for route sales of fluid milk products not only among handlers to be regulated by the proposed Indiana order (as further described below), but also between them and the handlers under orders for areas outside Indiana. Some route distribution is made in various parts of the proposed marketing area by handlers regulated under several orders, including the Greater Cincinnati, Louisville-Lexington-Evansville, Miami Valley, Southern Michigan, Southern Illinois, Chicago Regional and Columbus, Ohio, orders. Conversely, fluid milk products processed in plants located in the proposed marketing area move into other Federal order marketing areas such as Southern Michigan, Columbus, Greater Cincinnati, Louisville-Lexington-Evansville, Central Illinois, Chicago Regional, and Southern Illinois. These orders cover areas in the States of Michigan, Ohio, Indiana, Illinois, Wisconsin, and Kentucky. Milk used for fluid milk and milk products under each of the above orders has been found to be in the current of, and to burden or affect, interstate commerce in milk and its products.

One handler, presently regulated under the Indianapolis order, operates a pool distributing plant at Greenville, Ohio. Milk from farms in Ohio and Indiana is processed and packaged at such plant for distribution in the proposed Indiana marketing area in competition with Indiana handlers. This handler also distributes milk in Ohio in competition with handlers from several of the above markets.

Milk from farms in Wisconsin, Michigan, Ohio, and Illinois is transported regularly across State lines to be commingled and processed at plants of Indiana handlers and that of the single Ohio handler, who would be regulated under the expanded order.

Milk in excess of fluid milk requirements at plants to be regulated is manufactured into various dairy products, particularly butter and nonfat dry milk. Much of such milk is moved to the plants of two of the proponent cooperatives which are located at Dayton, Ohio, and Fort Wayne, Ind., mainly for manufacture into nonfat dry milk. The remaining reserve milk is processed at other plants in Indiana, Ohio, and Wisconsin. These products, manufactured from producer milk, are shipped to a number of markets outside Indiana, where they compete on the national market with products manufactured in other states.

(b) *Basis for expanding Indianapolis marketing area.* The Indianapolis order should be expanded to regulate (1) the marketing area now under the Fort Wayne order, (2) certain Indiana counties (formerly known as the Northwestern Indiana marketing area) regulated since July 1, 1968, under the Chicago Regional order, and (3) six Indiana counties (Cass, Fulton, Warren, Fountain, Parke, and Vermillion) not now under any regulatory program of this type. The expanded market should be renamed the "Indiana marketing area."

Six cooperatives representing a substantial majority of the producers in the Indianapolis, Fort Wayne, and former Northwestern Indiana markets proposed combining the above-named regulated areas and 10 unregulated counties (Benton, Cass, Fountain, Fulton, Jasper, Newton, Parke, Pulaski, Warren, and Vermillion) under a single order. Representatives of virtually all handlers in the State of Indiana supported the proposed single order.

Proponent cooperatives contended that unless a single order for the proposed Indiana marketing area is adopted, many handlers in Northwestern Indiana will be unable to compete in distribution or in maintaining producer supplies. They testified further that a single order would (1) eliminate marketing problems resulting from the increasing penetration of individual handler sales routes from one market into another in Indiana, and (2) facilitate efficiencies in the handling of

supplies to meet the changing daily requirements of handlers throughout the State.

Representatives of three cooperatives associated primarily with the Chicago Regional market appeared in opposition to removal of the eighth Northwestern Indiana counties from regulation under the Chicago Regional order. One cooperative was opposed to removal on the grounds that (1) since these counties were included in the Chicago Regional market only recently, they should not so soon be removed unless other areas likewise recently incorporated into the latter market are considered for removal, (2) the Northwestern Indiana handlers rely on the Chicago market to furnish their needs for supplemental milk, (3) Chicago order milk is distributed on routes in such Indiana counties, and (4) removal of such counties would increase the difficulty of Wisconsin supply plants to qualify for pooling under the Chicago Regional order. The other cooperatives were opposed to removal of such eight counties from the Chicago Regional order on the basis that there would be a sales loss to the Chicago order pool.

The primary purpose of a Federal milk marketing order is to promote orderly marketing conditions throughout a "market" by implementing a system of classified pricing and establishing a means by which producers supplying the particular market may share uniformly in the proceds from the sale of their milk. With this general objective in mind, Federal milk orders were made effective many years ago in the Indianapolis, Fort Wayne, and Northwestern Indiana marketing areas. The Indianapolis and Fort Wayne orders continue to operate as separate regulations. The Northwestern Indiana order was merged, however, into the newly established Chicago Regional market order on July 1, 1968.

In recent years, a number of major technical and economic developments have taken place with respect to the marketing of fluid milk in Indiana, causing an intensification of competition both in procurement and distribution among the State's principal fluid milk markets. This has been brought about by such factors as: Improved mobility of milk, increasing concentration of fluid milk processing, greater need for closer working relationships among cooperatives, greater overlapping of market milksheds, uniform health requirements throughout the State, and increased competition among markets for large wholesale accounts.

As a consequence, handlers have extended milk routes substantially, enlarging the area where a closely interrelated group of buyers and sellers operate and tending to erode individual market boundaries as historically set. The Indiana markets thus are taking on a broad geographical rather than local character and require application of the same form of regulation over a wider territory to insure the continuance of orderly, efficient marketing under the new conditions.

As individual markets grow through expansion of sales distribution areas for Class I milk and the need to draw milk from wider production areas increases, even the question of what larger area constitutes the relevant market becomes more complicated. Under today's conditions, regular long-distance shipments of milk between markets are common and few markets in the nation are separate in all respect from other markets.

This is particularly so in Indiana where, as previously indicated, the markets are in constant relationship in both distribution and supply not only with each other but also with other markets in neighboring States. Yet there are economic characteristics and local factors which suggest a highly homogeneous marketing situation in Indiana reasonably distinguishable from other market situations and therefore point to a particular form and scope of regulation.

The counties to be included in the proposed Indiana marketing area under a consolidated order should be determined primarily by conditions affecting competition in distribution for the major suppliers serving such area. The presence of uniform quality and sanitation requirements and the intensity of competition among handlers within the above areas in relation to the degrees of competition offered by handlers from other Federal orders assist in defining the area which should be covered.

The two regulated marketing areas of Fort Wayne and Indianapolis abut each other. Over time, handlers in each area have broadened their spheres of distribution so that now routes from each area penetrate substantially into the other. Sales in the present Indianapolis and Fort Wayne marketing areas (46 Indiana counties) are made from widely dispersed plants operated by 32 handlers regulated under the two orders. A recent Purdue University survey of such intermarket distribution was submitted in testimony. This survey disclosed that Fort Wayne handlers distribute milk in eight counties of the present Indianapolis marketing area: Delaware, Grant, Henry, Madison, Miami, Randolph, Tipton, and Wayne. Indianapolis handlers distribute milk in four counties of the Fort Wayne marketing area: Blackford, Huntington, Jay, and Wabash. In Blackford and Jay counties, Indianapolis handlers account for about 61 and 76 percent, respectively, of the fluid milk sales in such counties.

Class I sales made in each of the 46 counties by the Fort Wayne and Indianapolis handlers, plus the sales therein by handlers from Northwestern Indiana, substantially exceed those made by distributors from other markets. For example, sales by handlers in Indiana represent between 91.8 and 100 percent of total county sales in each of the 46 counties.

The intimate marketing relationship between the Indianapolis and Fort Wayne areas is illustrated also by the fact that the bulk of producer milk supplies of the handlers in both markets are procured from a common production area in Indiana and nearby Ohio. One Fort Wayne cooperative regularly supplies member milk to a handler in the Indianapolis market as well as to handlers in the Fort Wayne market. This cooperative operates a plant at Fort Wayne, which is a major outlet for reserve milk in excess of the fluid milk requirements of Indianapolis and Fort Wayne handlers. The principal cooperative in the Indianapolis market has producer members delivering to the Fort Wayne market.

The gain or loss of a large account by a handler in either market can cause the handler's plant to be transferred to the other market for the purpose of regulation. This affects his producers in that they also are transferred to the other market. The switching of individual plants on this basis for temporary periods can substantially improve the blend price for producers in the market gaining the account and have an opposite effect on the producers in the market losing the account. Significant seasonal variations in blended prices between the two markets also occur and cause "order-jumping" by some producers. Since the two markets are in close competition for milk supplies as well as in distribution, significant temporary changes in blend price relationships in either direction are disruptive to procurement practices and cause dissatisfaction among producers.

Adoption of the same regulatory program for both markets will provide a constant price relationship between the two and also assist the cooperatives in both markets in their joint efforts to improve efficiency in servicing all handlers with their fluid needs and in disposing of daily and seasonal reserves not needed in bottling plants. Combining these areas thus will help promote a more stable marketing situation for producers in both markets.

Handlers in both markets supported the producers' proposal to include the Fort Wayne market under the same regulatory program as Indianapolis.

The six unregulated counties of Fulton, Cass, Warren, Fountain, Parke, and Vermillion appropriately should be included in the expanded marketing area.

Producers proposed to include in the expanded marketing area such six Indiana counties plus four other unregulated counties. The 10 counties they proposed are: Fulton, Cass, Pulaski, Jasper, Newton, Benton, Warren, Fountain, Parke, and Vermillion.

The problems of distribution and procurement which prevail in the six counties included are highly similar to those of the Indianapolis market. In Cass County, Indianapolis handlers distribute 83 percent of the county's total sales. The remaining 17 percent of sales in this county are made by Northwestern Indiana handlers.

Two local distributors with plants in Cass County have been both partially regulated and regulated handlers under the Indianapolis and Northwestern Indiana orders at various times, and at other times have been in an unregulated status. This has caused them difficult procurement problems. One of these handlers requested that he be placed under full regulation in order that his producers might be on the same pricing basis as producers of the Indianapolis regulated

handlers with whom he competes for fluid sales and a milk supply.

Indianapolis handlers distribute 64 percent of the total sales in Fountain County, with Northwestern Indiana handlers accounting for the remaining 36 percent. In Parke County, Indianapolis handlers distribute 72 percent of total sales, with the remaining 28 percent by Northwestern Indiana handlers. In Vermillion and Warren Counties, all sales are made by Indianapolis handlers.

The largest of the handlers formerly regulated by the Northwestern Indiana order (now a part of the Chicago Regional order) has his plant in Fulton County. It is the only plant located in this rural county. The Fulton County handler indicated on the record his intention to transfer his plant to regulation under the Indianapolis order and, effective August 1, 1968, this handler did become subject to the Indianapolis order. In this connection official notice is taken of the Indianapolis market administrator's "Official Announcement of the Uniform Price for the Indianapolis, Ind., Marketing Area for August 1968."

Fluid milk sales in Fulton County are made not only by this handler but also by handlers from the Indianapolis, Northwestern Indiana, and Chicago Regional orders. Handlers formerly under the Northwestern Indiana order, including the handler with the Fulton County plant, distribute 53 percent of the total sales; Indianapolis handlers, 2 percent; and Chicago Regional handlers, 45 percent. The sales made by Chicago Regional handlers in this county are, however, only about 3 percent of their aggregate sales in the State of Indiana.

The inclusion of such six unregulated counties is appropriate to extend the uniform price plan to an area primarily served by handlers from Indianapolis and Northwestern Indiana. However, the remaining four unregulated Indiana counties of Benton, Jasper, Newton, and Pulaski proposed for regulation should not be included in the Indiana marketing area.

The majority of the distribution in three of these four rural counties is by Chicago regulated handlers. Chicago handlers distribute about 63 percent of the sales in Newton County, 81 percent in Jasper County, and 58 percent in Pulaski County. There is no record evidence to indicate the identity or location of distributors serving Benton County. The bulk of the remaining sales are made by handlers from Northwestern Indiana. Indianapolis handlers have no distribution in Newton County and only minor sales in Jasper and Pulaski Counties. In addition, there was no indication in the record of unregulated distribution in any of the four counties which would seriously affect or disturb the marketing of milk to be regulated by the expanded order.

Producers proposed further that the expanded marketing area include the eight counties in northwestern Indiana formerly known as the "Northwestern Indiana marketing area," now in the Chicago Regional marketing area. It consists of the eight Indiana counties of Lake, Porter, La Porte, Starke, Marshall, St. Joseph, Elkhart, and Kosciusko.

Because of its proximity to other regulated markets to the south, east, and west, the question of appropriate regulation of the Northwestern Indiana area has been the subject of considerable debate on two occasions. Such controversies culminated in removing three townships of Lake County ("Calumet area") from regulation under the former Chicago order on April 1, 1965, to be made part of the Northwestern Indiana marketing area and, more recently on July 1, 1968, in including all eight Northwestern Indiana counties under the new Chicago Regional order.

Both local companies serving these counties and representatives of 90 percent of the producers supplying them complain that because such counties were placed under the Chicago regional order on July 1, the local handlers have been placed in an impossible competitive position both in distribution and in the procurement of milk supplies. Proponents estimate that, as the result of being pooled under Order No. 30, the producers' blend price at such plants will decrease an average 20 cents per hundredweight compared to prices previously received under the separate Northwestern Indiana order. This would result in a difference exceeding 30 cents when comparison is made to minimum blend prices computed under the Fort Wayne and Indianapolis orders.

The present complaint of the producers and handlers involved closely parallels the basis on which the townships in Lake County were transferred to the Northwestern Indiana marketing area in 1965. They ask for regulation of this area on terms comparable to the Indianapolis and Fort Wayne markets on the basis of the high degree of similarity in marketing conditions among the three markets.

These eight counties should be removed from regulation under Order No. 30 and included in the proposed Indiana marketing area.

The counties in question are the northernmost counties in Indiana. The most populous segments of this area are Lake County, which is nearest Chicago and contains Gary and Hammond, and St. Joseph County which contains South Bend.

Class I sales in the eight Northwestern Indiana counties are made mainly by 15 handlers with plants in these counties, the handler with a plant in Fulton County, and by several handlers regulated under other Federal orders, including the Fort Wayne and Indianapolis orders, and Chicago-based handlers. For example, Indiana-based handlers, who would be regulated by the proposed Indiana order, distribute in the aggregate about 70 percent of the 30 million pounds of total Class I sales in the eight counties. The remaining 9 million pounds of sales in the eight-county area are made from other plants now under the Chicago Regional order and by a partially regulated handler at Niles, Mich. More specifically, Indiana handlers, including these under the Fort Wayne and Indianapolis orders, have the following percentages of county sales: 69 percent in Elkhart County; 56 percent in Kosciusko County; 64 percent in Lake County; 91 percent in La Porte County; 100 percent in Marshall County; 74 percent in Porter County; 52 percent in Starke County; and 91 percent in St. Joseph County.

In five of the counties—Elkhart, Kosciusko, Lake, Porter, and Starke—Chicago-based handlers distribute 31 percent, 45 percent, 36 percent, 26 percent, and 48 percent, respectively, of the county's Class I sales. Their sales in Lake County approximate 4 million pounds monthly and represent about half of all their milk sold in Indiana. The above percentages for the other counties represent relatively small amounts ranging from 300,000 to 600,000 pounds monthly per county. In the two other counties (La Porte and St. Joseph) Chicago handlers distribute less than 10 percent of the total sales.

Total route distribution from Chicago into all parts of Indiana amounts to less than 3 percent of the Class I sales of the Chicago market. While some Chicago order milk is distributed in a few counties of the Indianapolis marketing area, as well as in the Northwestern Indiana counties, in each such county the quantity is a di minimis portion of the county's needs. Chicago handlers have little route distribution in the Fort Wayne market.

Northwestern Indiana handlers, on the other hand, sell substantial quantities of milk in 21 of the 34 counties of the Indianapolis market and in 10 of the 12 counties of the Fort Wayne market. In the five counties of Montgomery, Miami, Vigo, Tippecanoe, and Tipton (Indianapolis area), Northwestern Indiana handlers distribute 28, 36, 36, 42, and 44 percent, respectively, of the total county sales. In the Fort Wayne market, Northwestern Indiana handlers have the following percentages of county sales: Steuben County, 21; Wells County, 36; De Kalb County, 37; Noble County, 44; La Grange County, 54; and Wabash County, 59. The percentages of total sales held in the four remaining counties vary from 5 to 19 percent. Little milk is distributed by Northwestern Indiana, Indianapolis, or Fort Wayne handlers westward beyond the Indiana State boundary.

The recent inclusion of the Northwestern Indiana market in the Chicago Regional order has caused major competitive problems for the 12 small local handlers. These handlers distribute amounts ranging from 225,000 to 1.5 million pounds of milk per month. While this market, like other markets in Indiana and Ohio, purchases occasional supplemental supplies of plant milk from Wisconsin or Minnesota, which milk sometimes is from plants now under the Chicago Regional order, they rely mainly on direct-ship milk from nearby farms which is procured in close competition with primary supplies for Fort Wayne, Indianapolis, and the Ohio markets of Cincinnati, Miami Valley and Northwestern Ohio.

The difficulty faced by the Northwestern handlers as the result of regulation

under the Chicago Regional order is the decrease in the uniform price to their producers. The average percentage of Class I utilization in Chicago order plants is significantly less than the average utilization of Northwestern Indiana plants. Consequently, their uniform prices under the Chicago Regional merket will be lower than the uniform prices as computed under the former Northwestern Indiana order. Even with a location differential of plus 14 cents per hundredweight at South Bend under the new Chicago Regional order as compared to the price f.o.b. at Chicago, the uniform price at Northwestern Indiana plants is expected to average more than 30 cents below the prices received by Indiana producers shipping to Fort Wayne or Indianapolis.

There is no substitute supply of directship milk within reasonable distance which is not also keenly sought by the Fort Wayne, Indianapolis, and nearby Ohio markets having higher uniform prices. Therefore, to maintain the local milk supplies while under the Chicago Regional order, the small Northwestern Indiana handlers must either make up such difference through payment of premiums over order blend prices, or purchase plant supplies of Wisconsin or Minnesota milk to replace the locally produced milk.

Actually, the latter alternative is not a practical one in view of the small size of these plants. Inquiries made by local handlers of long distance haulers have revealed the reluctance of haulers to move milk such distances in the small volumes needed, except at prohibitive expense to the purchaser. Thus, the additional cost of an alternative supply in this manner, if obtainable at all, would be as great or greater than the premiums necessary to hold local milk supplies. Either choice places such handlers in a noncompetitive position in their distribution and supply procurement.

Moreover, while the Fort Wayne and Indianapolis handlers are their main competition, these smaller handlers individually do not have sufficient proportions of their sales in the Fort Wayne or Indianapolis markets to qualify them for regulation in either market under any reasonable pooling standard. The two largest local handlers serving Northwestern Indiana are, however, in position to avoid the increased cost experienced by the smaller handlers even if no change in marketing areas is effected as the result of this hearing. As previously stated, one has already transferred his plant to the Indianapolis market as the result of inclusion of the Northwestern Indiana counties under the Chicago Regional order. The other, who has a large proportion of his business in the Fort Wayne market, announced his intention to transfer his plant to that market.

By making such transfers these two handlers can remain competitive in distribution and continue to procure milk supplies on comparable price terms with the competing Indianapolis, Fort Wayne and nearby Ohio markets. This will have the effect, however, of compounding further the competitive difficulties in both distribution and procurement of the remaining smaller handlers in Northwestern Indiana unless the latter also are afforded a similar basis of regulation.

Obviously the Northwestern Indiana handlers are on the fringe of the Chicago supply and distribution system and are not in position to take advantage of the supply services of that market on a basis comparable to other handlers under the Chicago Regional order. They are not regulated in a way which insures a milk cost comparable with their main competition. They are in a different position in this regard than other Chicago Regional handlers who compete largely within a single milkshed (price area) where alternative supplies of milk are readily available without substantial increase in cost. While the continuation of uniform pricing among handlers in the Northwestern Indiana market is needed, the pricing plan should be one which provides the small local handlers a basis for selling and for procuring supplies comparable with their principal competition. Inclusion of the Northwestern Indiana counties in the Indiana marketing area will achieve this result.

After allowing for transfer of the two larger Northwestern Indiana plants which may be expected regardless of any amendment action (and would diminish by nearly one-half the volume of milk of the handlers formerly under the Northwestern Indiana order), removal of the Northwestern Indiana area from the Chicago Regional order should affect the Chicago order uniform price by less than 1 cent per hundredweight.

Although some of the route disposition of handlers to be regulated will extend beyond the boundaries of the counties proposed for regulation, it is neither practical nor reasonable to stretch the regulated area to cover all areas where a handler has or might develop some route disposition. Nor is it necessary to do so to accomplish effective regulation under the order. The marketing area herein proposed is a practicable one in that it will encompass the great bulk of the fluid milk sales of handlers to be regulated.

All producer milk received at regulated plants must be made subject to classified pricing under the order, however, regardless of whether it is disposed of within or outside the marketing area. Otherwise the effect of the order would be nullified and the orderly marketing process would be jeopardized.

If only a pool handler's "in-area" sales were subject to classification, pricing and pooling, a regulated handler with Class I sales both inside and outside the marketing area could assign any value he chose to his outside sales. He thereby could reduce the average cost of all his Class I milk below that of other regulated handlers having all, or substantially all, of their Class I sales within the marketing area.

Unless all milk of such a handler were fully regulated under the order, he in effect would not be subject to effective price regulation. The absence of effective classification, pricing and pooling of such milk would disrupt orderly marketing conditions within the regulated marketing area and could lead to a complete breakdown of the order. If a pool handler were free to value a portion of his milk at any price he chooses, it would be impossible to enforce uniform prices to all fully regulated handlers or a uniform basis of payment to the producers who supply the market.

It is essential, therefore, that the order price all the producer milk received at a pool plant regardless of the point of disposition.

(2) *Class prices and differentials.* Class I and blend prices should be subject to adjustments according to plant locations both in and outside the marketing area. The aggregate returns to producers from Class I milk should remain at present levels.

Proponent cooperatives proposed varying Class I and blend prices both within and outside the marketing area according to plant locations. The "base" pricing zone in Indiana would be the present Indianapolis marketing area together with six adjacent counties now unregulated. A second pricing zone would be the present Fort Wayne marketing area. The third pricing zone would be the eight counties of the former Northwestern Indiana marketing area, the remaining four unregulated counties proposed for regulation, and Cass and Berrien Counties, Mich.

Under the producers' proposals the Class I price differentials (over the basic formula price) per hundredweight for these respective zones would be set at $1.47, $1.40, and $1.38, including the 20-cent temporary increase in differential effective through April 1969. Under the cooperatives' proposal the supply-demand adjustor currently effective in the Fort Wayne and Indianapolis orders would be removed. With the exception of the State of Ohio and other counties of Indiana and Michigan where no location adjustments would apply, prices at plants outside such areas would be fixed in relation to the price at Indianapolis at a rate of minus 1.5 cents per hundredweight for each 10 miles of distance of the plant from Indianapolis.

For Fort Wayne and Indianapolis the producers' proposed Class I price levels would be the same as in the present orders without effect of the supply-demand adjustment which averaged plus 2 cents per hundredweight for the period January 1967 through July 1968. At the hearing one of the proponents, a Fort Wayne cooperative, suggested that the Class I price differential at Fort Wayne area plants be increased to $1.43. For Northwestern Indiana, the proposed $1.38 Class I price differential compares to similar differentials under the Chicago Regional order of $1.34 for the South Bend location and $1.38 at New Paris, Ind.

Handlers throughout the proposed marketing area were generally in accord with the producers' price proposals.

Certain cooperatives and handlers from Ohio markets testified in support of somewhat higher Class I price differentials for the Indiana market than those

proposed by proponent Indiana cooperatives on the basis that a better competitive relationship between Indiana handlers and handlers in Ohio regulated markets would result.

In establishing the appropriate Class I price over the wide marketing area to be covered by the proposed Indiana order, consideration must be given not only to the general level needed to encourage an adequate supply in total but also the extent to which price differences are necessary within the marketing area to achieve an appropriate allocation of available milk supplies for efficient marketing.

The general level of prices which has been effective in these markets has contributed to achievement of a reasonable balance between producer milk supplies and Class I needs. During 1967, Indianapolis handlers utilized, on the average, 77 percent of producer milk receipts in Class I. Comparable percentages for Northwestern Indiana and Fort Wayne handlers were 81 and 71 percent, respectively. On a consolidated basis, Class I use in these markets averaged 76.7 percent of aggregate producer receipts in 1967 and 75.7 percent during the first 6 months of this year.

The producers' proposal for location pricing by zones should be modified to include the four counties of Carroll, Cass, Miami, and White in the same pricing zone as Fort Wayne and to establish a fourth pricing zone which would include the Indiana counties of Elkhart, Kosciusko, Benton, Fulton, Jasper, Marshall, Newton, Pulaski, and St. Joseph, and the Michigan counties of Berrien and Cass. Such zone includes the cities of Elkhart, Mishawaka, New Paris, Rochester, and South Bend. The establishment of an additional location pricing area and westward extension of the Fort Wayne pricing area reduces slightly past price differences between Indianapolis and plants at Logansport and Rochester. The adjustments of 4 and 8 cents adopted herein would reduce location differentials for plants at these points by 6 and 5 cents, respectively, relative to Indianapolis plants. Further, for plants at New Paris, South Bend, and Elkhart the differential would be 8 cents as compared to 4 cents for plants at Fort Wayne.

Specifically, the schedule of Class I price differentials within the expanded marketing area is as follows: Indianapolis "zone," $1.47; Fort Wayne "zone," $1.43; Elkhart-New Paris-Rochester-South Bend "zone," $1.39; Gary-La Porte-Valparaiso "zone," $1.35. These prices reflect adjustments for plant location so as to encourage an appropriate allocation of available supplies. While such price differentials are slightly at variance with the producers' proposals, the aggregate returns for Class I milk would be maintained at approximately the present level for the entire area after allowing for the amount (average 2 cents per hundredweight) which resulted from the supply-demand adjustor.

No location adjustments would apply for plants in the State of Ohio, or in Indiana south of the present Indianapolis marketing area. Ohio locations have no location adjustment under the present Indianapolis order. Similarly, much of the area in Indiana south of the present Indianapolis marketing area is in the zero zone. Virtually all the remainder is part of the Louisville-Lexington-Evansville marketing area which has a higher minimum Class I price level.

Location adjustments for milk received at plants located outside the States of Indiana and Ohio, and outside Berrien and Cass Counties, Mich., should be computed at the rate of 1.5 cents per hundredweight for each 10 miles from the plant to the nearest of several basing points in the marketing area. These basing points should be Monument Circle, Indianapolis, and the main post offices in Fort Wayne, South Bend, and Valparaiso, Ind. Use of these basing points will insure reasonable allowances for transporting distant milk to each consuming center of the marketing area.

The Class I price applicable at the various locations in the market must have, of course, a reasonable relationship to Class I price levels in markets competing for supplies and sales after taking transportation costs into account. As previously indicated, there is a substantial intermarket relationship in these respects with nearby markets in Ohio, Michigan, and Kentucky. The price levels adopted for locations within the marketing area will reflect the gradual increase in fluid market price levels from the heavy producing areas to the west and the costs of hauling in moving milk eastward from such areas.

Annual Class I price differentials at selected points in the marketing area would be as follows (also including the emergency 20-cent price increase effective through April 1969): Gary, $1.35; Elkhart, New Paris, Mishawaka, Rochester, and South Bend, $1.39; Fort Wayne, $1.43; and Indianapolis, $1.47. These may be compared with current Class I price differentials in other nearby markets, as follows:

Chicago Regional (f.o.b. Chicago)	$1.20
Chicago Regional (at South Bend)	1.34
Central Illinois	1.39
Southern Michigan (at Niles)	1.51
Louisville-Lexington-Evansville [1]	1.61
Miami Valley [1]	1.64
Northwestern Ohio	1.70
Cincinnati [1]	1.74

[1] Differentials for Cincinnati, Louisville-Lexington-Evansville, and Miami Valley include their 1967 average supply-demand adjustments which increased the differentials 20, 12, and 20 cents, respectively.

Thus, the Class I price differentials for the marketing area provide Class I prices which are reasonably aligned with Class I prices for neighboring Federal order markets.

The Class II price formula adopted is the same as that which has been effective under both the Indianapolis and Fort Wayne orders. Although the description of the formula computation has been modernized, the resulting level of pricing is not changed. Such formula is appropriate under the supply conditions in Indiana which leave only relative small and erratic volumes of milk available at pool distributing plants for processing into manufactured milk products.

The butterfat differentials on both classes of milk are the same as have been effective under the Indianapolis order.

Class II prices and butterfat differentials have varied only slightly under the separate orders for Indiana markets. No questions were raised as to the propriety of applying the Indianapolis Class II price formula and butterfat differentials to the expanded market.

(3) The provisions for the diversion of producer milk should be revised.

The major cooperative associations serving the expanded market proposed that both proprietary handlers and cooperative handlers be permitted to divert producer receipts on a percentage basis in addition to the present basis which relates allowable diversions to the number of days the production of the producer is received at a pool plant. These alternative bases for diversion are used in the present Fort Wayne order.

Specifically, a cooperative association could divert milk of member producers to nonpool plants up to 35 percent of the milk of its producer members received at all pool distributing plants during the month for each of the months of September through March. Similarly, a proprietary handler could divert up to 35 percent of the total producer milk received at all pool distributing plants during the month for such period, exclusive of milk diverted from his plant by a cooperative. Such diversions of the milk of any producer to a nonpool plant would be permitted if at least one day's production of the milk of such producer were received at a pool plant during the month.

Under the present Indianapolis order provision for diversions to nonpool plants, handlers may divert on an unlimited basis during the months of April through August, but in any other month diversions may not be made on more days than the production of the producer is received at a pool plant.

The addition of the percentage basis for diversions, proposed by cooperatives, will add needed flexibility in diversions by handlers and cooperatives in this expanded market. Such provision will assist cooperatives and handlers to achieve maximum use of available producer milk in Class I through more economical handling practices. In view of these considerations, the proposal to permit cooperatives and proprietary handlers to make aggregate diversions up to 35 percent of producer milk should be adopted. A similar provision utilized under the current Fort Wayne order has met with approval by both cooperative and proprietary handlers. Milk of a producer eligible for diversion to a nonpool plant should be received at a pool plant each month, however, in an amount representing not less than 1 day's production. This will insure that the milk remains qualified for and available to the market.

A cooperative or proprietary handler diverting milk in excess of the percentage limit would be required to designate those producers whose milk must be excluded from the pool when the allowable diversion limit is exceeded. If the handler

fails to designate those producers whose milk is ineligible, making it infeasible for the market administrator to determine which milk was overdiverted, all milk diverted to nonpool plants by such handler should be excluded as producer milk.

Diverted producer milk should be priced at the location of the pool or nonpool plant to which the milk is diverted, except when diverted to a plant located in the marketing area. Diversions made within the marketing area should be priced at the location of the pool plant from which the milk is diverted.

In accordance with the plan of location pricing, diverted milk should be priced at the plant of receipt. An exception should be made, however, in pricing diversions made within the marketing area. Most diversions between marketing area plants will take place within the same pricing zone and consequently will raise no question as to the appropriate point of pricing. However, there will be diversions between plants in the marketing area which would involve changes in pricing for producer milk.

One of the major outlets for milk in excess of the fluid requirements of pool distributing plants is a balancing plant operated by a cooperative at Fort Wayne. This plant is in an intermediate pricing zone within the marketing area. Unless milk diverted to this plant from other marketing area plants is priced at the pool plant from which diverted, those producers whose milk normally is required in the Indianapolis pricing zone but is diverted to the Fort Wayne plant would receive a lower blend price due to the location adjustment at Fort Wayne. As the result those producers whose milk is involved in the diversion would be burdened with more than their share of the cost of moving excess reserve milk at Indianapolis plants to manufacturing. Contrarily, producers in a price zone lower than that of the Fort Wayne plant could gain an advantage simply by having their excess milk diverted to the Fort Wayne plant rather than to a plant within the same zone. These results can be avoided by pricing diversions within the marketing area at the location of the pool plant from which diverted.

A cooperative that operates a nonpool manufacturing plant proposed that the definition of producer milk include a provision to allow transfers from its plant to pool distributing plants for Class I use as an offset to diversions of producer milk during the month from pool distributing plants to its plant. It was contended that Indiana market producers should receive prior claim on any Class I sales made from pool plants before the assignment to Class I of transfers from the nonpool plant. Under the proposal, transfers of other source milk from the nonpool plant would be classified and priced as Class I only to the extent that it exceeded the quantity of producer milk diverted to the cooperative's plant during the month.

Since August 1, 1964, all Federal orders require the assignment of receipts at a Federal order pool plant of manufacturing grade milk to available use in Class II. In the event such milk is assigned to Class I, a payment into the producer-settlement fund at the difference between the Class I price and Class II price is required. This insures that the Class I value is returned to regular producers for any of their milk replaced by such transfers. Since the record reveals no reason for special regulatory treatment for such transactions, the proposal is denied.

(4) *Miscellaneous administrative and conforming changes*—(a) *Definitions.* The term "producer" should be modified slightly from the definition presently included in the Indianapolis order so as to set forth more clearly the requirements for "status" as a producer under the Indiana order.

A "producer" should be defined as any person, except a producer-handler, who produces milk in compliance with Grade A inspection requirements of a duly constituted health authority or milk acceptable for fluid consumption at Federal, State, or municipal institutions, which milk either is received at a pool plant or diverted under specified conditions. This definition, which is somewhat broader than that in the present Indianapolis order, includes the criteria for identifying a producer set forth in the Indianapolis and Fort Wayne orders. This is required for applicability to the expanded market. The definition would exclude, however, any person with respect to milk fully subject to the class pricing and producer payment provisions of another order.

Producers and certain handlers proposed changes in the definition of a "fluid milk product" to exclude yogurt. They would specify also that to be excluded from the definition any sterilized product must be in an hermetically sealed glass or metal container. Such definition would be revised to specify reconstituted and concentrated skim milk also. These changes will clarify the definition and reconcile present differences in the classification of products under the separate orders. The proposed changes are adopted.

The definition of "route" should be clarified with respect to movements of fluid milk products to other plants. Presently, such movements as fluid milk products in bulk or packaged form to other plants are not included under the definition of "route." This should be changed so as to exclude only those movements of bulk fluid milk products to any milk processing plant. This will accommodate more fully the custom packaging of fluid milk products for other handlers which is practiced in this market and will be in the interest of efficiency in processing operations.

(b) *Plant requirements for pooling.* The pooling requirements for distributing plants and supply plants presently provided in the Indianapolis order should be adopted for the expanded order, subject to minor changes.

Proponent cooperatives and handlers supported adoption of the Indianapolis pool plant provisions for the expanded order. Currently, a distributing-type plant qualifies by disposing of 50 percent of its total receipts from producers and pool supply plants on routes with at least 10 percent of such receipts disposed of in the marketing area on routes. Such requirements are herein continued subject to clarification of the present provisions and the addition of the following provision.

The pooling requirements for a distributing plant should be expanded to provide greater flexibility in monthly disposal requirements to avoid loss of pool status due to temporary changes in receipts or sales at the distributing plant. This can be accomplished by providing that a distributing plant which has met the 50 percent performance requirement in either the current or immediately preceding month and meets the minimum in-area route disposition requirement (i.e., 10 percent of total receipts at such plant) in the current month may retain pool status.

There are circumstances, such as minor changes in receipts or Class I sales, which may cause a distributing plant difficulty in meeting the 50 percent route disposition requirement for a particular month. The 2-month basis for meeting the pooling requirement for a distributing plant will minimize the occasions of inadvertent loss of pool plant status.

Also, the definition of a pool distributing plant should be clarified to insure that receipts of milk by diversion from other pool distributing plants will not be counted as producer receipts in determining percentages for qualification purposes. Milk received in such manner is a part of the normal supply of milk for the diverting handler and is included in his receipts. There are no supply plants in the market at this time. However, supply plant receipts may be a normal source of supply for the Class I needs of pool distributing plants. Consequently, any such receipts should be included in the receipts base for the purpose of determining the percentages of receipts sold on routes.

The cooperatives and handlers also proposed continuance of the main requirements for pooling supply plants which are provided in the Indianapolis order. Essentially, these provisions require the shipment each month of at least 50 percent of plant receipts of Grade A milk as fluid milk products to pool distributing plants. Qualifying shipments from supply plants, however, should be in the form of milk or skim milk since these are the products which would be needed to supplement direct-ship supplies in this market. A supply plant which meets the 50 percent shipping standard each month of September through February is automatically designated as a pool plant for the succeeding months of April through August (unless a written request for nonpool status is submitted to the market administrator). These percentage requirements are basically comparable with those in other nearby Federal orders.

Producers proposed, however, to eliminate the special provision of the Indianapolis order which permits a supply plant to qualify during the months of

April through July by meeting the delivery performance standards in each of the preceding months of August through March as a supply plant or distributing plant, and for December through March by meeting the supply plant requirements. This provision for supply plant qualification was adopted in May 1962 to accommodate a particular circumstance, that of a pool distributing plant which had discontinued its bottling operations but continued in the market for a time as a supply plant. They pointed out that with the closing of the plant for which the provision was developed, no purpose is served by continuing it in the order. Since the provision is obsolete, it is deleted from the order.

Provision should be made to exclude from pooling a supply plant which meets the pooling requirements of another order as well as those of this order, when greater shipments are made to plants regulated by such other order. This will assure that any supply plant which associates milk with the pool will be regulated under this order only if the plant continues its association with this market during each month. This is important in view of the automatic pooling provisions provided for in this and other nearby orders. As previously indicated there are no supply plants associated with this market at present.

(c) *Transfer provisions.* The present Indianapolis order interplant transfer provisions are adopted for the expanded order, except that the provision which requires a Class I classification on transfers or diversions of fluid milk products to nonpool plants located 300 miles or more from Indianapolis should be removed.

A Wisconsin cooperative, representing a number of producers supplying the Indiana market, proposed elimination of the mileage limitation on the transfer or diversion of fluid milk products to nonpool plants as Class II milk. It was the cooperative's position that savings could accrue on distant producer milk diverted to Wisconsin plants when not needed by local handlers for their fluid milk requirements by avoidance of the additional transportation cost involved in moving milk to plants within a 300-mile radius of Indianapolis. The cooperative pointed to the fact that there are adequate manufacturing facilities available in the Wisconsin segment of the production area to handle such reserve supplies of milk.

The present Indianapolis transfer provision which permits transfers or diversions to nonpool plants located 300 miles or more from Indianapolis only as Class I milk was made effective July 1, 1963. At that time the mileage limit was extended from a 150-mile radius which originally had prevailed under the order but had been suspended to permit diversion to more distant plants. It was found that an area within 300 miles of Indianapolis included all the regular manufacturing outlets needed for Class II disposition under the prevailing supply and marketing conditions, and that with adoption of the provision undue expense of audit verification by the market administrator could be avoided. Also, all producer farms delivering milk to the market then were located within 150 miles of Indianapolis.

The production area for the proposed Indiana market encompasses a substantially larger area than did the milkshed for the Indianapolis market at the time of the June 1963 amendment. The Indiana market milkshed extends well into the heavy milk production areas of central and western Wisconsin. About 17 percent of all producer farms (representing about 16 percent of total producer milk received by plants in the Indiana market) are located in central and western Wisconsin.

Manufacturing plants in the Wisconsin portion of the production area near producer farms supplying milk for the Indiana market may be located more than 300 miles from Indianapolis. These plants serve as readily available outlets for the reserve milk of this market associated with the producer supplies located in Wisconsin.

It is in the interest of efficient marketing of producer milk, therefore, to permit the movement of reserve supplies to manufacturing facilities wherever located. Consequently, the current Indianapolis provision which provides for transfers or diversions only as Class I milk if moved to a nonpool plant 300 miles or more from Indianapolis is not included in this amended order.

(d) *Application of seasonal incentive (Louisville) plan.* The current seasonal incentive payment provisions under the Indianapolis order should be continued and made applicable to the expanded market following the current pay-back period to expire December 31, 1968.

Producers supplying all segments of the market supported application of such Indianapolis order provisions. These provisions provide for the withholding by the market administrator of 8 percent of the average monthly basic formula price for the preceding calendar year, but not to exceed 30 cents, with respect to each hundredweight of producer milk delivered to the market during each month of April through July. Pay-back to producers of the aggregate monies accumulated during the months of April through July is made at a monthly rate of 25 percent in each of the months of September through December.

Currently, the seasonal incentive payment provisions of the Fort Wayne order differ from the provisions of the Indianapolis order with respect to both the rates of take-out and pay-back and the operating months. Although the Northwestern Indiana order contains no such provisions, the principal cooperative for that market has operated its own seasonal incentive payment plan.

The seasonal incentive payment plan provides a continuing inducement to dairy farmers to increase production during the period of greatest Class I demand relative to supply and highest seasonal production cost. The uniform rate of take-out and pay-back herein provided for this expanded area should continue to induce dairy farmers to increase fall production in relation to spring production and thus encourage a more even pattern of milk deliveries throughout the year. Identical rates of "take-out" and "pay-back" throughout the common production area should eliminate unnecessary shifting of producers merely to take advantage of the different rates of "take-out" and "pay-back" which has occurred at times under separate orders.

(e) *Other administrative provisions.* The "equivalent price" provision should provide for the determination by the Secretary of an equivalent for any pricing factor, as well as any price, required by the provision of the order which is not available in the manner described. There may be unavoidable occasions when a factor ordinarily employed becomes unavailable. Provision for such determination will remove uncertainty as to the procedure to be followed in the absence of any such factor specified in the provisions of the order and thereby avoid potential interruption in the operation of the order and its important pricing function.

Producers' proposal to include the present provision under the Fort Wayne order, requiring the payment of interest on amounts due from handlers to the market administrator and from the market administrator to handlers for each month or portion thereof that such obligation is overdue, should be adopted in part.

Interest charges to handlers on overdue obligations will encourage prompt payments, which are essential to efficient operation of the order. The recommended one-half of 1 percent per month rate with respect to any such unpaid order obligation is an appropriate and reasonable payment for each month or fraction thereof that the obligation is past due. Any unpaid portion of a handler obligation would be increased by the same rate on the first day of the month following the due date under the order and on the first day of each succeeding month until paid. This procedure should provide a reasonable time to make payments prior to the application of interest. There should be no payment of interest by the market administrator, however. His payments to handlers involve mainly producer monies. The market administrator collects such monies from some handlers and pays out to others. The recipient handlers are permitted by the order to reduce payments to their producers by amounts due from the market administrator until paid by him.

All currently regulated handlers who have contributed to the administrative funds of the separate orders will continue to be regulated under the new order. In the interest of effective and equitable administration, the assets in the administrative funds which have accrued under the Indianapolis and Fort Wayne orders should be made available to the market administrator of the Indiana order for carrying out its terms and provisions. A similar procedure should be followed with respect to the reserves in the respective marketing service funds. The corresponding funds

which accrued prior to July 1, 1968, under the Northwestern Indiana order (which presently are held by the market administrator of the Chicago Regional order), should be made available to the market administrator of the Indiana order to be combined, respectively, with the corresponding funds of the other two markets involved.

The producer-settlement fund reserves of the Indianapolis and Fort Wayne orders should be combined to establish a new producer-settlement fund reserve under the merged order. This sum should be augmented by the proportion of the unobligated producer-settlement fund reserve of the Chicago Regional order associated with and attributable to the milk of producers in the month preceding the first month in which such producer milk becomes regulated under the new order. In this manner, all producers delivering to plants to be covered by the new order will share proportionately in providing the monies for the necessary producer-settlement fund reserve under the expanded order.

The above procedure relating to the disposition of all the aforesaid administrative, marketing service and producer settlement funds is necessary and desirable to implement the amendments proposed herein and would insure equitable treatment to all interested parties.

Several provisions of the order have been redrafted to incorporate conforming and clarifying changes necessary to effectuate the findings and conclusions made herewith. Except for those amendments specifically discussed above, these changes do not affect the scope or substance of the Indianapolis order, renamed the Indiana order, or its application to any handler subject thereto.

Rulings on Proposed Findings and Conclusions

Briefs and proposed findings and conclusions were filed on behalf of certain interested parties. These briefs, proposed findings and conclusions and the evidence in the record were considered in making the findings and conclusions set forth above. To the extent that the suggested findings and conclusions filed by interested parties are inconsistent with the findings and conclusions set forth herein, the requests to make such findings or reach such conclusions are denied for the reasons previously stated in this decision.

General Findings

The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of each of the aforesaid orders and of the previously issued amendments thereto; and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) The tentative marketing agreements and the orders, as hereby proposed to be amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the Act;

(b) The parity prices of milk as determined pursuant to section 2 of the Act are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the marketing areas, and the minimum prices specified in the proposed marketing agreements and the orders, as hereby proposed to be amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest;

(c) The tentative marketing agreements and the orders, as hereby proposed to be amended, will regulate the handling of milk in the same manner as, and will be applicable only to persons in the respective classes of industrial and commercial activity specified in, marketing agreements upon which a hearing has been held;

(d) All milk and milk products handled by handlers, as defined in the orders as hereby amended, are in the current of interstate commerce or directly burden, obstruct, or affect interstate commerce in milk or its products; and

(e) It is hereby found that the necessary expense of the market administrator for the Indiana order for the maintenance and functioning of such agency will require the payment by each handler, as his pro rata share of such expense, 4 cents per hundredweight or such amount not to exceed 4 cents per hundredweight as the Secretary may prescribe, with respect to:

(1) Receipts of producer milk (including such handler's own production);

(2) Other source milk at a pool plant allocated to Class I pursuant to §§ 1049.46(a)(3) and 1049.46(a)(7) and the corresponding steps of § 1049.46(b); and

(3) Class I milk disposed of on a route(s) in the marketing area from a partially regulated distributing plant that exceeds the hundredweight of Class I milk received during the month at such plants from pool plants and other order plants.

Recommended Marketing Agreement and Order Amending the Orders

The following order amending the orders as amended regulating the handling of milk in the Indianapolis, Indiana, Fort Wayne, Indiana, and Chicago Regional marketing areas is recommended as the detailed and appropriate means by which the foregoing conclusions may be carried out. The recommended marketing agreement is not included in this decision because the regulatory provisions thereof would be the same as those contained in the orders, as hereby proposed to be amended.

MISCELLANEOUS PROVISIONS

Sec.

1049.100 Separability of provisions.
1049.101 Agents.

DEFINITIONS

§ 1049.1 Act.

"Act" means Public Act No. 10, 73d Congress, as amended, and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.).

§ 1049.2 Secretary.

"Secretary" means the Secretary of Agriculture of the United States or any officer or employee of the United States authorized to exercise the powers or to perform the duties of the said Secretary of Agriculture.

§ 1049.3 Department.

"Department" means the U.S. Department of Agriculture or any other Federal agency authorized to perform the price reporting functions of the U.S. Department of Agriculture.

§ 1049.4 Person.

"Person" means any individual, partnership, corporation, association, or other business unit.

§ 1049.5 Cooperative association.

"Cooperative association" means any cooperative marketing association of producers which the Secretary determines, after application by the association:

(a) To be qualified under the provisions of the Act of Congress of February 18, 1922, as amended, known as the "Capper-Volstead Act";

(b) To have full authority in the sale of milk of its members and is engaged in making collective sales of or marketing milk or milk products for its members; and

(c) To have all of its activities under the control of its members.

§ 1049.6 Marketing area.

"Indiana marketing area" (hereinafter referred to as the "marketing area") means all the territory within the boundaries of each of the Indiana counties listed below, including territory wholly or partly within such boundaries occupied by Government (municipal, State, or Federal) reservations, installations, institutions, or other similar establishments:

Adams.
Allen.
Bartholomew.
Blackford.
Boone.
Brown.
Cass.
Clay.
Clinton.
Decatur.
De Kalb.
Delaware.
Elkhart.
Fayette.
Fountain.
Franklin.
Fulton.
Grant.
Hamilton.
Hancock.
Hendricks.
Henry.
Howard.
Huntington.
Jackson.
Jay.
Johnson.
Kosciusko.
Lagrange.
Lake.
La Porte.
Lawrence.
Madison.
Marion.
Marshall.
Miami.
Monroe.
Montgomery.
Morgan.
Noble.
Owen.
Parke.
Porter.
Putnam.
Randolph.
Rush.
Shelby.
Steuben.
St. Joseph.
Starke.
Tippecanoe.
Tipton.
Union.
Vermillion.
Vigo.
Wabash.
Warren.
Wayne.
Wells.
Whitley.

§ 1049.7 Producer.

"Producer" means any person, other than a producer-handler as defined in any order (including this part) issued pursuant to the Act, who in compliance with Grade A inspection requirements of a duly constituted health authority, produces milk for distribution as fluid milk products within the marketing area or produces milk acceptable for fluid consumption at Federal, State, or municipal institutions, which milk is received at a pool plant or is diverted pursuant to § 1049.14. "Producer" shall not include any person with respect to milk which is fully subject to the class pricing and producer payment provisions of another order issued pursuant to the Act.

§ 1049.8 Handler.

"Handler" means:

(a) Any person is his capacity as the operator of a pool plant;

(b) Any cooperative association with respect to producer milk diverted for the account of such association pursuant to § 1049.14;

(c) Any person who operates a partially regulated distributing plant; or

(d) A producer-handler, or any person who operates an other order plant.

§ 1049.9 Producer-handler.

"Producer-handler" means a person who operates a dairy farm and a distributing plant and who receives no fluid milk products from other dairy farmers or from sources other than pool plants: *Provided*, That such person provides proof satisfactory to the market administrator that the care and management of all dairy animals and other resources used in his own farm production and the operation of the processing and distributing business are at the personal interprise and risk of such person.

§ 1049.10 Distributing plant.

"Distributing plant" means a plant approved by any duly constituted health authority for the processing or packaging of milk for fluid consumption in the marketing area and from which fluid milk products are disposed of during the month on routes in the marketing area.

§ 1049.11 Supply plant.

"Supply plant" means a plant in which some milk approved by any duly constituted health authority for fluid consumption in the marketing area is assembled and shipped in bulk as milk, cream, or skim milk to a distributing plant during the month.

§ 1049.12 Pool plant.

"Pool plant" means a plant specified in paragraph (a) or (b) of this section, except the plant of a producer-handler or a plant exempt pursuant to § 1049.61: *Provided*, That if a portion of a plant is physically separated from the Grade A portion of such plant, is operated separately and is not approved by any health authority for the receiving, processing or packaging of any fluid milk product for Grade A disposition it shall not be considered as part of a plant qualified pursuant to this section.

(a) A distributing plant with:

(1) Total route sales, exclusive of packaged fluid milk products received from other plants, in an amount not less than 50 percent of Grade A milk received at such plant during the month from dairy farmers (excluding receipts of producer milk by diversion pursuant to § 1049.14) and supply plants, except that a plant meeting such percentage requirement for the preceding month may remain qualified under this subparagraph in the current month; and

(2) Route sales within the marketing area during the month of at least 10 percent of such receipts, such route sales to be exclusive of packaged fluid milk products received from other plants: *Provided*, That any plant meeting the requirements of this paragraph in each of the months of September through May, inclusive, shall continue to have pool plant status in the months of June, July, and August, immediately following if fluid milk products are disposed of from the plant in the marketing area on routes during such month.

(b) A supply plant from which not less than 50 percent of the Grade A milk received from dairy farmers at such plant during the month is shipped to plants qualifying for the month pursuant to paragraph (a) of this section. A plant qualified pursuant to this paragraph in each of the immediately preceding months of September through February shall remain so qualified for the months of April through August unless written application is filed with the market administrator on or before the first day of any such month to designate such plant as a nonpool plant for such month and for each subsequent month through August during which it would otherwise not qualify under this paragraph.

§ 1049.13 Nonpool plant.

"Nonpool plant" means any milk receiving, manufacturing or processing plant other than a pool plant. The following categories of nonpool plants are further defined as follows:

(a) "Other order plant" means a plant that is fully subject to the pricing and pooling provisions of another order issued pursuant to the Act.

(b) "Producer-handler plant" means a plant operated by a producer-handler as defined in any order (including this part) issued pursuant to the Act.

(c) "Partially regulated distributing plant" means a nonpool plant that is neither an other order plant nor a producer-handler plant, from which fluid milk products in consumer-type packages or dispenser units are distributed on routes in the marketing area during the month.

(d) "Unregulated supply plant" means a nonpool supply plant that is not

an other order plant or a producer-handler plant, from which fluid milk products are shipped during the month to a pool plant.

§ 1049.14 Producer milk.

"Producer milk" means all skim milk and butterfat contained in milk of any producer, other than milk received at a pool plant by diversion from a plant at which such milk would be fully subject to pricing and pooling under the terms and provisions of another order issued pursuant to the Act, which is:

(a) Received at one or more pool plants during the month (milk may be diverted during the month by a handler from a pool distributing plant to another pool plant(s) for not more days of production of producer milk than is physically received at the diverting pool plant); or

(b) Received at a pool plant at least one day during the month and then diverted by the operator of a pool plant or by a cooperative association to a nonpool plant during the month under any of the following conditions:

(1) During April through August the operator of a pool plant or a cooperative association may divert the milk production of a producer from a pool plant to a nonpool plant (other than that of a producer-handler) on any number of days during the month.

(2) During September through March the milk of a producer diverted by the operator of a pool plant or a cooperative association to a nonpool plant (other than that of a producer-handler) shall be limited to the amounts specified in subdivisions (i) and (ii) of this subparagraph:

(i) The operator of a pool plant may divert the milk of producers (except producer members of a cooperative association which is diverting milk under the percentage limit of subdivision (ii) of this subparagraph) for not more days of production of producer milk than is physically received at the diverting pool plant or he may divert an aggregate quantity not exceeding 35 percent of the milk of all such producers.

(ii) A cooperative association may divert the milk of its individual member producers for not more days of production of producer milk than is physically received at a pool plant or it may divert an aggregate quantity of the milk of member producers not exceeding 35 percent of all such milk either caused to be delivered to pool plants or diverted to nonpool plants by the cooperative association.

(3) When milk is diverted in excess of the limit by a handler who elects to divert on the basis of days-of-production, only that milk of the individual producer which was received at a pool plant or which was diverted to a nonpool plant for not more days of production than is physically received at a pool plant shall be considered producer milk.

(4) When milk is diverted to a nonpool plant in excess of the percentage limit by a handler who elects to divert on a percentage basis, eligibility as producer milk shall be forfeited on a quantity of milk equal to such excess. In such instances the diverting handler shall specify the dairy farmers whose milk is ineligible as producer milk. If the handler fails to designate such dairy farmers whose milk is ineligible, producer milk status shall be forfeited with respect to all milk diverted to nonpool plants by such handler.

(5) If, notwithstanding the provisions of this paragraph, diverted milk is fully subject to the pricing and pooling provisions of another Federal order, it shall not be producer milk under this order.

(d) Diverted milk shall be deemed to be received by the handler at the pool plant or nonpool plant to which the milk is diverted, unless diverted to a plant located in any part of the marketing area or to a plant at which no location adjustment would apply pursuant to § 1049.53, in which case such diverted milk shall be deemed to be received at the pool plant from which diverted.

§ 1049.15 Fluid milk product.

"Fluid milk product" means milk, skim milk, buttermilk, milk drinks (plain or flavored), "fortified" products, "dietary" milk products, concentrated milk or skim milk, reconstituted milk, skim milk, or milk drinks (plain or flavored), and cream or any mixture in fluid form of cream, milk or skim milk (except eggnog, yogurt, milk shake mix, frozen dessert mix, sour cream, aerated cream products, evaporated and plain or sweetened condensed milk or skim milk, and sterilized products packaged in hermetically sealed metal or glass containers).

§ 1049.16 Other source milk.

"Other source milk" means all skim milk and butterfat contained in or represented by:

(a) Receipts during the month of fluid milk products, except: (1) Fluid milk products received from pool plants either by transfer or diversion, (2) producer milk (including own farm production), or (3) inventory of fluid milk products on hand at the beginning of the month;

(b) Products, other than fluid milk products, from any source (including those produced at the plant) which are reprocessed or converted into or combined with another product in the plant during the month; and

(c) Any disappearance of nonfluid milk products not otherwise accounted for.

§ 1049.17 Route.

"Route" means a delivery (including that custom-packaged for another person, disposition from a plant store or from a distribution point and distribution by a vendor or vending machine) of any fluid milk product classified as Class I pursuant to § 1049.41(a)(1) other than a delivery in bulk form to any milk processing plant.

§ 1049.18 Butter price.

"Butter price" means the average price per pound of Grade A (92-score) bulk creamery butter at Chicago, as reported for the month by the Department.

MARKET ADMINISTRATOR

§ 1049.25 Designation.

The agency for the administration of this part shall be a market administrator, who shall be a person selected by the Secretary. Such person shall be entitled to such compensation as may be determined by, and shall be subject to removal at the discretion of the Secretary.

§ 1049.26 Powers.

The market administrator shall have the following powers with respect to this part:

(a) To administer its terms and provisions;

(b) To receive, investigate, and report to the Secretary complaints of violations;

(c) To make rules and regulations to effectuate its terms and provisions; and

(d) To recommend amendments to the Secretary.

§ 1049.27 Duties.

The market administrator shall perform all duties necessary to administer the terms and provisions of this part, including but not limited to the following:

(a) Within 30 days following the date on which he enters upon his duties execute and deliver to the Secretary a bond effective as of the date on which he enters upon his duties as market administrator and conditioned upon the faithful performance of such duties, in an amount and with surety thereon satisfactory to the Secretary;

(b) Employ and fix the compensation of such persons as may be necessary to enable him to administer its terms and provisions;

(c) Obtain a bond in a reasonable amount, and with satisfactory surety thereon, covering each employee who handles funds entrusted to the market administrator;

(d) Pay out of the funds provided by § 1049.86 the cost of his bond and of the bonds of his employees, his own compensation, and all other expenses except those incurred under § 1049.85 necessarily incurred by him in the maintenance and functioning of his office and in the performance of his duties;

(e) Keep such books and records as will clearly reflect the transactions provided for in this part, and upon request by the Secretary, surrender the same to such other person as the Secretary may designate;

(f) Publicly announce at his discretion, unless otherwise directed by the Secretary, by posting in a conspicuous place in his office and by such other means as he deems appropriate, the name of any person who, after the date upon which he is required to perform such acts, has not made reports pursuant to §§ 1049.30, 1049.31, and 1049.32, nor payments pursuant to §§ 1049.80, 1049.82, 1049.84, 1049.85, 1049.86, and 1049.88;

(g) Submit his books and records to examination by the Secretary and furnish such information and reports as may be required by the Secretary;

(h) Verify all reports and payments of each handler by audit of such handler's records and of the records of any other handler or person upon whose utilization the classification of skim milk or butterfat for such handler depends, or by such investigation as the market administrator deems necessary;

(i) Prepare and disseminate to the public such statistics and such information as he deems advisable and as do not reveal confidential information;

(j) Publicly announce on or before:

(1) The sixth day of each month, the minimum price for Class I milk pursuant to § 1049.51(a) and the Class I butterfat differential pursuant to § 1049.52(a), both for the current month, and the minimum price for Class II milk pursuant to § 1049.51(b) and the Class II butterfat differential pursuant to § 1049.52(b), both for the preceding month; and

(2) The 14th day after the end of each month, the uniform price pursuant to § 1049.71 and the butterfat differential pursuant to § 1049.72;

(k) On or before the 14th day after the end of each month, report to each cooperative association, upon request by such association, the percentage of the milk caused to be delivered by the cooperative association or its members which was utilized in each class at each pool plant receiving such milk. For the purpose of this report, the milk so received shall be allocated to each class at each pool plant in the same ratio as all producer milk received at such plant during the month;

(l) On or before the 14th day after the end of each month, notify each handler who reported pursuant to § 1049.30 of:

(1) The amount and value of his milk in each class computed pursuant to § 1049.46 and § 1049.70;

(2) The uniform price computed pursuant to § 1049.71; and

(3) The amounts to be paid by such handler pursuant to §§ 1049.82, 1049.85, and 1049.86 and the amount, if any, due such handler pursuant to § 1049.83;

(m) Whenever required for purpose of allocating receipts from other order plants pursuant to § 1049.46(a)(8) and the corresponding step of § 1049.46(b), the market administrator shall estimate and publicly announce the utilization (to the nearest whole percentage) in each class during the month of skim milk and butterfat, respectively, in producer milk of all handlers. Such estimate shall be based upon the most current available data and shall be final for such purpose;

(n) Report to the market administrator of the other order as soon as possible after the report of receipts and utilization for the month is received from a handler who has received fluid milk products from an other order plant, the classification to which such receipts are allocated pursuant to § 1049.46 pursuant to such report, and thereafter any change in such allocation required to correct errors disclosed in verification of such report; and

(o) Furnish to each handler operating a pool plant who has shipped fluid milk products to an other order plant, the classification to which the skim milk and butterfat in such fluid milk products were allocated by the market administrator of the other order on the basis of the report of the receiving handler; and, as necessary, any changes in such classification arising in the verification of such report.

REPORTS, RECORDS, AND FACILITIES

§ 1049.30 Reports of receipts and utilization.

On or before the eighth day after the end of each month, each handler for each of his pool plants and a cooperative association with respect to milk for which it is the handler shall report to the market administrator for such month, in the detail and on forms prescribed by the market administrator as follows:

(a) The quantities of skim milk and butterfat contained in:

(1) Receipts of producer milk (including own farm production);

(2) Fluid milk products received by transfer or diversion from pool plants;

(3) Other source milk;

(4) A separate report of producer milk diverted pursuant to § 1049.14: *Provided*, That on or before the day prior to diverting producer milk pursuant to § 1049.14, each handler shall notify the market administrator of his intention to divert such milk, the date or dates of such diversion, and the plant to which such milk is to be diverted; and

(5) Inventories of fluid milk products on hand at the beginning and end of the month;

(b) The utilization of all skim milk and butterfat required to be reported pursuant to this section, including a separate statement of the disposition of Class I milk on routes inside the marketing area; and

(c) Such other information with respect to receipts and utilization of skim milk and butterfat as the market administrator may prescribe.

§ 1049.31 Other reports.

(a) Each producer-handler shall make reports to the market administrator at such time and in such manner as the market administrator shall request.

(b) Each handler specified in § 1049.8(c) who operates a partially regulated distributing plant shall report as required of handlers operating pool plants pursuant to § 1049.30, except that receipts in Grade A milk shall be reported in lieu of those in producer milk.

§ 1049.32 Payroll reports.

(a) On or before the 20th day after the end of each month, each handler, except a producer-handler and a handler exempt pursuant to § 1049.61, shall report to the market administrator in the detail and on forms prescribed by the market administrator, his producer payroll for that month which shall show for each producer:

(1) His name and address;

(2) The total pounds of milk received from such producer and the number of days, if less than the entire month, on which milk was received from such producer;

(3) The average butterfat content of such milk; and

(4) The net amount of such handlers payment, together with the price paid and the amount and nature of any deductions;

(b) Each handler, except one who elects to make payments pursuant to § 1049.62(a), operating a partially regulated distributing plant shall report to the market administrator on or before the 20th day after the end of the month for each dairy farmer from whom milk was received the same information as required from handlers operating pool plants pursuant to paragraph (a) of this section.

§ 1049.33 Records and facilities.

Each handler shall maintain and make available to the market administrator, during the usual hours of business, such accounts and records of his operations, together with such facilities as are necessary for the market administrator to verify or establish the correct data with respect to:

(a) The receipt and utilization of all skim milk and butterfat handled in any form during the month;

(b) The weights and butterfat and other content of all milk and milk products handled during the month;

(c) The pounds of skim milk and butterfat contained in or represented by all milk products in inventory at the beginning and end of each month; and

(d) Payments to producers or dairy farmers, as the case may be, and cooperative associations, including the amount and nature of any deductions and the disbursement of moneys so deducted.

§ 1049.34 Retention of records.

All books and records required under this part to be made available to the market administrator shall be retained by the handler for a period of 3 years to begin at the end of the month to which such books and records pertain. If, within such 3-year period, the market administrator notifies the handler in writing that the retention of such books and records is necessary in connection with a proceeding under section 8c(15)(A) of the Act or a court action specified in such notice, the handler shall retain such books and records, or specified books and records, until further written notification from the market administrator. In either case, the market administrator shall give further written notification to the handler promptly upon the termination of the litigation or when the records are no longer necessary in connection therewith.

CLASSIFICATION

§ 1049.40 Skim milk and butterfat to be classified.

Skim milk and butterfat which are required to be reported pursuant to § 1049.30 shall be classified each month by the market administrator pursuant to

the provisions of §§ 1049.41 through 1049.46.

§ 1049.41 Classes of utilization.

Subject to the conditions set forth in §§ 1049.42 through 1049.46, the classes of utilization shall be as follows:

(a) *Class I milk.* Class I milk shall be all skim milk and butterfat:

(1) Disposed of from the plant in the form of fluid milk products, other than those classified pursuant to paragraph (b) (2), (3), (4), and (5), of this section, except that fluid milk products which have been fortified by the addition of milk solids shall be Class I only up to the weight of an equal volume of an unmodified fluid milk product of the same nature and butterfat content; and

(2) Not specifically accounted for as Class II milk;

(b) *Class II milk.* Class II milk shall be:

(1) Skim milk and butterfat used to produce any product other than a fluid milk product;

(2) Skim milk and butterfat contained in fluid milk products disposed of for livestock feed or in products which are dumped, if the market administrator has been notified in advance and afforded the opportunity to verify such dumping;

(3) Skim milk and butterfat in fluid milk products delivered in bulk to and used at commercial food establishments devoted exclusively to the manufacture of bakery products, candy, or processed foods packaged in hermetically sealed glass or metal containers;

(4) Skim milk contained in that portion of fortified fluid milk products not classified as Class I milk pursuant to paragraph (a) (1) of this section;

(5) Skim milk and butterfat contained in inventory of fluid milk products on hand at the end of the month; and

(6) Contained in shrinkage of skim milk and butterfat, respectively, prorated pursuant to § 1049.42(b) (2) and (3) for each pool plant, not to exceed the quantities calculated pursuant to subdivisions (i) through (vi) of this subparagraph:

(i) Two percent of receipts of skim milk and butterfat physically received direct from producers and milk received in bulk by diversion from another pool plant pursuant to § 1049.14;

(ii) Plus 1.5 percent of milk or skim milk received by transfer from other pool plants in bulk;

(iii) Plus 1.5 percent of receipts of milk or skim milk in bulk from an other order plant, exclusive of the quantity for which Class II utilization was requested by the operator of such plant and the handler;

(iv) Plus 1.5 percent of receipts of milk or skim milk in bulk from unregulated supply plant, exclusive of the quantity for which Class II utilization was requested by the handler;

(v) Less 1.5 percent of bulk transfers of milk or skim milk to a pool plant of another handler; and

(vi) Less 1.5 percent of bulk transfers of milk or skim milk to nonpool plants.

(7) In shrinkage of skim milk and butterfat, respectively, assigned pursuant to § 1049.42(b) (1).

§ 1049.42 Shrinkage.

The market administrator shall assign shrinkage to each handler's receipts at each pool plant as follows:

(a) Compute the total shrinkage of skim milk and butterfat; and

(b) Prorate the resulting amounts among (1) skim milk and butterfat in other source milk received in bulk fluid form, exclusive of that specified in § 1049.41(b) (6) (ii), (iii), and (iv); (2) skim milk and butterfat in producer milk (excluding milk diverted to other plants pursuant to § 1049.14); and (3) skim milk and butterfat in bulk receipts of milk and skim milk including diversions or transfers from other pool plants, from other order plants and unregulated supply plants, exclusive of the quantities received from other order plants and unregulated supply plants for which Class II utilization was requested by the handlers, in excess of transfers of bulk milk or skim milk to other plants.

§ 1049.43 Responsibility of handler and reclassification of milk.

All skim milk and butterfat shall be classified as Class I milk unless the handler who first receives such skim milk or butterfat proves to the market administrator that such skim milk or butterfat should be classified otherwise.

§ 1049.44 Transfers.

Skim milk or butterfat in the form of a fluid milk product shall be classified:

(a) At the utilization indicated by the operators of both plants, otherwise as Class I milk, if transferred or diverted to another pool plant subject in either event to the following conditions:

(1) The skim milk or butterfat so assigned to either class shall be limited to the amount thereof remaining in such class in the transferee plant after computations pursuant to § 1049.46(a) (8) and the corresponding step of § 1049.46(b);

(2) If the transferor plant received during the month other source milk to be allocated pursuant to § 1049.46(a) (3), the skim milk and butterfat so transferred or diverted shall be classified so as to allocate the least possible Class I utilization to such other source milk; and

(3) If the transferor handler received during the month other source milk to be allocated pursuant to § 1049.46(a) (7) or (8) and the corresponding steps of § 1049.46(b), the skim milk and butterfat so transferred up to the total of such receipts shall not be classified as Class I milk to a greater extent than would be applicable to a like quantity of such other source milk received at the transferee plant.

(b) As Class I milk, if moved from a pool plant to a producer-handler.

(c) As Class I milk, if transferred or diverted in bulk to a nonpool plant that is neither an other order plant nor a producer-handler plant, unless the requirements of subparagraphs (1) and (2) of this paragraph are met, in which case the skim milk and butterfat so transferred or diverted shall be classified in accordance with the assignment resulting from subparagraph (3) of this paragraph:

(1) The transferring or diverting handler claims classification pursuant to the assignment set forth in subparagraph (3) of this paragraph in his report submitted to the market administrator pursuant to § 1049.30 for the month within which such transaction occurred;

(2) The operator of such nonpool plant maintains books and records showing the utilization of all skim milk and butterfat received at such plant which are made available if requested by the market administrator for the purpose of verification; and

(3) The skim milk and butterfat so transferred shall be classified on the basis of the following assignment of utilization at such nonpool plant in excess of receipts of packaged fluid milk products from all pool plants and other order plants:

(i) Any Class I utilization disposed of on routes in the marketing area shall be first assigned to the skim milk and butterfat in the fluid milk products so transferred or diverted from pool plants, next pro rata to receipts from other order plants and thereafter to receipts from dairy farmers who the market administrator determines constitute regular sources of supply of Grade A milk for such nonpool plant;

(ii) Any Class I utilization disposed of on routes in the marketing area of another order issued pursuant to the Act shall be first assigned to receipts from plants fully regulated by such order, next pro rata to receipts from pool plants and other order plants not regulated by such order, and thereafter to receipts from dairy farmers who the market administrator determines constitute regular sources of supply for such nonpool plant;

(iii) Class I utilization in excess of that assigned pursuant to subdivisions (i) and (ii) of this subparagraph shall be assigned first to remaining receipts from dairy farmers who the market administrator determines constitute the regular source of supply for such nonpool plant and Class I utilization in excess of such receipts shall be assigned pro rata to unassigned receipts at such nonpool plant from all pool and other order plants; and

(iv) To the extent that Class I utilization is not so assigned to it, the skim milk and butterfat so transferred shall be classified as Class II milk.

(d) As follows, if transferred or diverted to an other order plant in excess of receipts from such plant in the same category as described in subparagraph (1), (2), or (3) of this paragraph:

(1) If transferred in packaged form, classification shall be in the classes to which allocated as a fluid milk product under the other order;

(2) If transferred in bulk form, classification shall be in the classes to which allocated as a fluid milk product under the other order (including allocation

under the conditions set forth in subparagraph (3) of this paragraph);

(3) If the operators of both the transferor and transferee plants so request in the reports of receipts and utilization filed with their respective market administrators, transfers in bulk form shall be classified at Class II to the extent of the Class II utilization (or comparable utilization under such other order) available for such assignment pursuant to the allocation provisions of the transferee order;

(4) If information concerning the classification to which allocated under the other order is not available to the market administrator for purposes of establishing classification pursuant to this paragraph, classification shall be as Class I, subject to adjustment when such information is available;

(5) For purposes of this paragraph, if the transferee order provides for more than two classes of utilization, milk allocated to a class consisting primarily of fluid milk products shall be classified as Class I, and milk allocated to other classes shall be classified as Class II; and

(6) If the form in which any fluid milk product is transferred to an other order plant is not defined as a fluid milk product under such other order, classification shall be in accordance with the provisions of § 1049.41.

§ 1049.45 Computation of skim milk and butterfat in each class.

For each month the market administrator shall correct for mathematical and other obvious errors, the reports submitted by each handler pursuant to this part and compute the total pounds of skim milk and butterfat, respectively, in each class at each of the plants of such handler. If any of the water contained in the milk from which a product is made, is removed before the product is utilized or disposed of by the handler, the pounds of skim milk used or disposed of in such product shall be considered to be an amount equivalent to the nonfat milk solids contained in such product plus all the water originally associated with the milk solids.

§ 1049.46 Allocation of skim milk and butterfat classified.

After making the computations pursuant to § 1049.45, the market administrator shall determine the classification of producer milk received at each pool plant each month as follows:

(a) Skim milk shall be allocated in the following manner:

(1) Subtract from the total pounds of skim milk in Class II the pounds of skim milk classified as Class II pursuant to § 1049.41(b)(6);

(2) Subtract from the remaining pounds of skim milk in each class the pounds of skim milk in fluid milk products received in packaged form from other order plants as follows:

(i) From Class II milk, the lesser of the pounds remaining or 2 percent of such receipts; and

(ii) From Class I milk, the remainder of such receipts;

(3) Subtract in the order specified below from the pounds of skim milk remaining in each class, in series beginning with Class II, the pounds of skim milk in each of the following:

(i) Other source milk in a form other than that of a fluid milk product;

(ii) Receipts of fluid milk products for which Grade A certification is not established, or which are from unidentified sources; and

(iii) Receipts of fluid milk products from a producer-handler, as defined under this or any other Federal order;

(4) Subtract, in the order specified below, from the pounds of skim milk remaining in Class II:

(i) The pounds of skim milk in receipts of fluid milk products from unregulated supply plants for which the handler requests Class II utilization, but not in excess of the pounds of skim milk remaining in Class II;

(ii) The pounds of skim milk remaining in receipts of fluid milk products from unregulated supply plants which are in excess of the pounds of skim milk determined as follows:

(*a*) Multiply the pounds of skim milk remaining in Class I milk (excluding Class I transfers between pool plants of the handler) at all pool plants of the handler by 1.25;

(*b*) Subtract from the result the sum of the pounds of skim milk at all such plants in producer milk, in receipts from other pool handlers and in receipts in bulk from other order plants; and

(*c*) (*1*) Multiply any resulting plus quantity by the percentage that receipts of skim milk in fluid milk products from unregulated supply plants remaining at this plant is of all such receipts remaining at all pool plants of such handler, after any deductions pursuant to subdivision (i) of this subparagraph.

(*2*) Should such computation result in a quantity to be subtracted from Class II which is in excess of the pounds of skim milk remaining in Class II, the pounds of skim milk in Class II shall be increased to the quantity to be subtracted and the pounds of skim milk in Class I shall be decreased a like amount. In such case the utilization of skim milk at other pool plant(s) of such handler shall be adjusted in the reverse direction by an identical amount in sequence beginning with the nearest other pool plant of such handler at which such adjustment can be made.

(iii) The pounds of skim milk in receipts of fluid milk products in bulk from an other order plant in excess of similar transfers to such plant, but not in excess of the pounds of skim milk remaining in Class II milk if Class II utilization was requested by the operator of such plant and the handler;

(5) Subtract from the pounds of skim milk remaining in each class, in series beginning with Class II, the pounds of skim milk in inventory of fluid milk products on hand at the beginning of the month;

(6) Add to the remaining pounds of skim milk in Class II milk the pounds subtracted pursuant to subparagraph (1) of this paragraph;

(7) (i) Subtract from the pounds of skim milk remaining in each class, pro rata to the total pounds of skim milk remaining in each class in all pool plants of the receiving handler, the pounds of skim milk in receipts of fluid milk products from unregulated supply plants that were not subtracted pursuant to subparagraph (4) (i) or (ii) of this paragraph;

(ii) Should such proration result in the amount to be subtracted from any class exceeding the pounds of skim milk remaining in such class in the pool plant at which such skim milk was received, the pounds of skim milk in such class shall be increased to the amount to be subtracted and the pounds of skim milk in the other class shall be decreased a like amount. In such case the utilization of milk at other pool plant(s) of such handler shall be adjusted in the reverse direction by an identical amount in sequence beginning with the nearest other pool plant of such handler at which such adjustment can be made;

(8) Subtract from the pounds of skim milk remaining in each class the pounds of skim milk in receipts of fluid milk products in bulk from an other order plant, in excess in each case of similar transfers to the same plant, that were not subtracted pursuant to subparagraph (4)(iii) of this paragraph pursuant to the following procedure:

(i) Subject to the provisions of subdivisions (ii) and (iii) of this subparagraph, such subtraction shall be pro rata to whichever of the following represents the higher proportion of Class II milk;

(*a*) The estimated utilization of skim milk in each class, by all handlers, as announced for the month pursuant to § 1049.27(m); or

(*b*) The pounds of skim milk in each class remaining at all pool plants of the handler;

(ii) Should proration pursuant to subdivision (i) of this subparagraph result in the total pounds of skim milk to be subtracted from Class II at all pool plants of the handler exceeding the pounds of skim milk remaining in Class II at such plants, the pounds of such excess shall be subtracted from the pounds of skim milk remaining in Class I after such proration at the pool plants at which received;

(iii) Except as provided in subdivision (ii) of this subparagraph, should proration pursuant to either subdivision (i) or (ii) of this subparagraph result in the amount to be subtracted from either class exceeding the pounds of skim milk remaining in such class in the pool plant at which such skim milk was received, the pounds of skim milk in such class shall be increased to the amount to be subtracted and the pounds of skim milk in the other class shall be decreased a like amount. In such case the utilization of milk at other pool plant(s) of such handler shall be adjusted in the reverse direction by an identical amount in sequence beginning with the nearest other pool plant of such handler at which such adjustment can be made;

(9) Subtract from the pounds of skim milk remaining in each class the pounds

of skim milk received in fluid milk products from pool plants of other handlers according to the classification assigned pursuant to § 1049.44(a); and

(10) If the pounds of skim milk remaining in both classes exceed the pounds of skim milk in producer milk, subtract such excess from the pounds of skim milk remaining in each class in series beginning with Class II. Any amount so subtracted shall be known as "overage";

(b) Butterfat shall be allocated in accordance with the procedure outlined for skim milk in paragraph (a) of this section; and

(c) Combine the amounts of skim milk and butterfat determined pursuant to paragraphs (a) and (b) of this section into one total for each class and determine the weighted average butterfat content of producer milk in each class.

MINIMUM PRICES

§ 1049.50 Basic formula price.

The basic formula price shall be the average price per hundredweight for manufacturing grade milk f.o.b. plants in Wisconsin and Minnesota, as reported by the United States Department of Agriculture for the month, rounded to the nearest full cent. Such price shall be adjusted to a 3.5 percent butterfat basis by a butterfat differential computed at 0.12 times the butter price for the month and rounded to the nearest one-tenth cent. For the purpose of computing Class I prices from the effective date hereof through April 1969, the basic formula price shall be not less than $4.33.

§ 1049.51 Class prices.

Subject to the provisions of §§ 1049.52 and 1049.53, the minimum class prices per hundredweight of milk for the month shall be as follows:

(a) *Class I milk.* The price for Class I milk shall be the basic formula price for the preceding month plus $1.27, plus 20 cents through April 1969.

(b) *Class II milk price.* The Class II milk price shall be the basic formula price computed pursuant to § 1049.50, but not to exceed an amount computed as follows:

(1) Multiply the butter price by 4.2;

(2) Multiply by 8.2 the weighted average of carlot prices per pound of spray process nonfat dry milk for human consumption, f.o.b. manufacturing plants in the Chicago area, as published for the period from the 26th day of the preceding month through the 25th day of the current month by the Department; and

(3) From the sum of the results arrived at under subparagraphs (1) and (2) of this paragraph subtract 48 cents, and round to the nearest cent.

§ 1049.52 Butterfat differentials to handlers.

For milk containing more or less than 3.5 percent butterfat, class prices for the month pursuant to § 1049.51 shall be increased or decreased, respectively, for each one-tenth percent butterfat variation at the appropriate rate, rounded to the nearest one-tenth cent, determined as follows:

(a) *Class I price.* Multiply the butter price for the preceding month by 0.120.

(b) *Class II price.* Multiply the butter price for the month by 0.113.

§ 1049.53 Location differentials to handlers.

(a) For producer milk which is received at a pool plant located outside the area for which zero location adjustment is specified in subparagraph (1)(i) of this paragraph, which milk is classified as Class I milk or assigned Class I location adjustment credit pursuant to paragraph (b) of this section, and for other source milk for which a location adjustment is applicable, the price computed pursuant to § 1049.51(a) shall be reduced on the basis of the applicable amount or rate for the location of such plant pursuant to subparagraph (1) or (2) of this paragraph, respectively. For the purpose of this section and § 1049.73, the distances to be computed shall be on the basis of the shortest hard-surfaced highway distances as determined by the market administrator:

(1) At any plant located within:

	Rate of adjustment per hundredweight (cents)
(i) The State of Ohio or any Indiana county not specifically named in subdivision (ii) through (iv) of this subparagraph	0
(ii) Any of the Indiana counties of: Adams, Allen, Blackford, Cass, Carroll, De Kalb, Huntington, Jay, La Grange, Miami, Noble, Steuben, Wabash, Wells, White, Whitley	4
(iii) Any of the Indiana counties of: Benton, Elkhart, Fulton, Jasper, Kosciusko, Marshall, Newton, Pulaski, St. Joseph, and Berrien and Cass Counties, Mich	8
(iv) Any of the Indiana counties of: Lake, La Porte, Porter, Starke	12

(2) For any plant at a location outside the territory specified in the preceding subparagraph (1) of this paragraph, the applicable adjustment rate per hundredweight shall be based on the shortest highway distance between the plant and the nearest of the Monument Circle, Indianapolis, Ind., or the main post offices of Fort Wayne, South Bend, or Valparaiso, Ind., and shall be 1.5 cents for each 10 miles or fraction thereof from such point plus the amount of the location adjustment pursuant to subparagraph (1) of this paragraph applicable at the respective point.

(b) For the purpose of calculating adjustments pursuant to this section, transfers between pool plants shall be assigned Class I disposition at the transferee plant, in excess of the receipts at such plant from producers and the volume assigned as Class I to receipts from other order plants and unregulated supply plants, such assignment to be made first to transferor plants at which no location adjustment is applicable and then in sequence beginning with the plant at which the least location adjustment would apply.

§ 1049.54 Use of equivalent prices.

If for any reason a price quotation or factor required by this part for computing class prices or for other purposes is not available in the manner described, the market administrator shall use a price or factor determined by the Secretary to be equivalent to the price or factor which is required.

APPLICATION OF PROVISIONS

§ 1049.61 Plants subject to other Federal orders.

In the case of a handler in his capacity as the operator of a plant specified in paragraph (a), (b), or (c) of this section the provisions of this part shall not apply, except that such handler shall, with respect to his total receipts and disposition of skim milk and butterfat, make reports to the market administrator at such time and in such manner as the market administrator may require and shall allow verification of such reports by the market administrator:

(a) A distributing plant from which the Secretary determines a greater proportion of fluid milk products is disposed of on routes in another marketing area regulated by another order issued pursuant to the Act and such plant is fully subject to regulation of such other order: *Provided*, That a distributing plant which was a pool plant under this order in the immediately preceding month shall continue to be subject to all of the provisions of this part until the third consecutive month in which a greater proportion of its Class I disposition on routes is made in such other marketing area, unless, notwithstanding the provisions of this paragraph, it is regulated by such other order;

(b) A distributing plant which meets the requirements set forth in § 1049.12(a) which also meets the requirements of another order on the basis of its distribution in such other marketing area and from which the Secretary determines a greater quantity of milk is disposed of during the month on routes in this marketing area than is so disposed of in such other marketing area but which plant is nevertheless fully regulated under such other order; and

(c) A supply plant which during the month is fully subject to the pricing and pooling provisions of another order issued pursuant to the Act, unless such plant is qualified as a pool plant pursuant to § 1049.12(b) and a greater volume of fluid milk products is moved to pool distributing plants qualified on the basis of route sales in this marketing area.

§ 1049.62 Obligations of a handler operating a partially regulated distributing plant.

Each handler who operates a partially regulated distributing plant shall pay to the market administrator for the producer-settlement fund on or before the 25th day after the end of the month either of the amounts (at the handler's election) calculated pursuant to paragraph (a) or (b) of this section. If the handler fails to report pursuant to

§§ 1049.30 and 1049.31(b) the information necessary to compute the amount specified in paragraph (b) of this section, he shall pay the amount computed pursuant to paragraph (a) of this section:

(a) An amount computed as follows:

(1) Determine the respective amounts of skim milk and butterfat disposed of as Class I milk on routes (other than to pool plants) in the marketing area;

(2) Deduct the respective amounts of skim milk and butterfat received as Class I milk at the partially regulated distributing plant from pool plants and other order plants except that deducted under a similar provision of another order issued pursuant to the Act;

(3) Combine the amounts of skim milk and butterfat remaining into one total and determine the weighted average butterfat content; and

(4) From the value of such milk at the Class I price applicable at the location of the nonpool plant, subtract its value at the weighted average price applicable at such location or the Class II price, whichever is greater.

(b) Except as a handler may elect the option pursuant to paragraph (a) of this section, an amount computed as follows:

(1) (i) The obligation that would have been computed pursuant to § 1049.70 at such plant shall be determined as though such plant were a pool plant. For purposes of such computation, receipts at such nonpool plant from a pool plant or an other order plant shall be assigned to the utilization at which classified at the pool plant or other order plant and transfers from such nonpool plant to a pool plant or an other order plant shall be classified as Class II milk if allocated to such class at the pool plant or other order plant and be valued at the weighted average price of the respective order if so allocated to Class I milk. There shall be included in the obligation so computed a charge in the amount specified in § 1049.70(e) and a credit in the amount specified in § 1049.82(b)(2) with respect to receipts from an unregulated supply plant, unless an obligation with respect to such plant is computed as specified below in this subparagraph.

(ii) If the operator of the partially regulated distributing plant so requests, and provides with his reports pursuant to §§ 1049.30 and 1049.31(b) similar reports with respect to the operations of any other nonpool plant which serves as a supply plant for such partially regulated distributing plant by shipments to such plant during the month equivalent to the requirements of § 1049.12(b), with agreement of the operator of such plant that the market administrator may examine the books and records of such plant for purposes of verification of such reports, there will be added the amount of the obligation computed at such nonpool supply plant in the same manner and subject to the same conditions as for the partially regulated distributing plant.

(2) From this obligation there will be deducted the sum of (i) the gross payments made by such handler for Grade A milk received during the month from dairy farmers at such plant and like payments made by the operator of a plant(s) included in the computations pursuant to subparagraph (1) of this paragraph and (ii) any payments made for such month to the producer-settlement fund of another order issued pursuant to the Act due to the plant being a partially regulated distributing plant under such other order.

DETERMINATION OF PRICES TO PRODUCERS

§ 1049.70 Computation of the net pool obligation of each pool handler.

The net pool obligation of each pool handler during each month shall be a sum of money computed by the market administrator as follows:

(a) Multiply the quantity of producer milk in each class, as computed pursuant to § 1049.46(c), by the applicable class prices (adjusted pursuant to §§ 1049.52 and 1049.53);

(b) Add the amount obtained from multiplying the pounds of overage deducted from each class pursuant to § 1049.46(a)(10) and the corresponding step of § 1049.46(b) by the applicable class prices;

(c) Add the amount obtained from multiplying the difference between the Class II price for the preceding month and the Class I price for the current month by the hundredweight of skim milk and butterfat subtracted from Class I pursuant to § 1049.46(a)(5) and the corresponding step of § 1049.46(b);

(d) Add an amount equal to the difference between the value at the Class I price applicable at the pool plant and the value at the Class II price, with respect to skim milk and butterfat in other source milk subtracted from Class I pursuant to § 1049.46(a)(3) and the corresponding step of § 1049.46(b); and

(e) Add an amount equal to the value at the Class I price, adjusted for location of the nearest nonpool plant(s) from which an equivalent volume was received, with respect to skim milk and butterfat subtracted from Class I pursuant to § 1049.46(a)(7) and the corresponding step of § 1049.46(b).

§ 1049.71 Computation of uniform prices.

For each month the market administrator shall compute the uniform price per hundredweight of milk received from producers as follows:

(a) Combine into one total the values computed pursuant to § 1049.70 for all handlers who filed the reports prescribed by § 1049.30 for the month and who made the payments pursuant to § 1049.82 for the preceding month;

(b) Add an amount equal to the total value of the location differentials computed pursuant to § 1049.73;

(c) Subtract, if the average butterfat content of the milk specified in paragraph (e) of this section is more than 3.5 percent, or add, if such butterfat content is less than 3.5 percent an amount computed by multiplying the amount by which the average butterfat content of such milk varies from 3.5 percent by the butterfat differential computed pursuant to § 1049.72 and multiplying the result by the total hundredweight of such milk;

(d) Add an amount equal to one-half of the unobligated balance in the producer-settlement fund;

(e) Divide the resulting amount by the sum of the following for all handlers included in these computations:

(1) The total hundredweight of producer milk; and

(2) The total hundredweight for which a value is computed pursuant to § 1049.70(e);

(f) Subtract not less than 4 cents nor more than 5 cents per hundredweight. The result shall be the "weighted average price", and, except for the months specified below, shall be the "uniform price" for milk received from producers;

(g) For the months specified in paragraphs (h) and (i) of this section, subtract from the amount resulting from the computations pursuant to paragraphs (a) through (d) of this section an amount computed by multiplying the hundredweight of milk specified in paragraph (e)(2) of this section by the weighted average price;

(h) Subtract for each month of April through July the amount obtained by multiplying the hundredweight of producer milk included in these computations by a rate that is equal to 8 percent of the average basic formula price (computed to the nearest cent) for the preceding calendar year but that is not more than 30 cents;

(i) Add for each of the months of September through December, one-fourth of the total amount subtracted pursuant to paragraph (h) of this section for the preceding months of April through July;

(j) Divide the resulting sum by the total hundredweight of producer milk included in these computations;

(k) Subtract not less than 4 cents nor more than 5 cents per hundredweight. The result shall be the "uniform price" for milk received from producers.

§ 1049.72 Butterfat differentials to producers.

The uniform price for producer milk shall be increased or decreased for each one-tenth of 1 percent that the butterfat content of such milk is above or below 3.5 percent, respectively, at the rate determined by multiplying the pounds of butterfat in producer milk allocated to Class I and Class II milk pursuant to § 1049.46 by the respective butterfat differential for each class, dividing the sum of such values by the total pounds of such butterfat and rounding the resultant figure to the nearest one-tenth cent.

§ 1049.73 Location differentials to producers and on nonpool milk.

(a) The uniform price for producer milk received or which is deemed to have been received at a pool plant shall be reduced according to the location of the pool plant at the rates set forth in § 1049.53; and

(b) For purposes of computations pursuant to §§ 1049.82 and 1049.83 the weighted average price shall be adjusted at the rates set forth in § 1049.53 applicable at the location of the nonpool plant from which the milk was received.

PAYMENTS

§ 1049.80 Time and method of payment.

(a) Each handler shall pay each producer for producer milk for which payment is not made to a cooperative association pursuant to paragraph (b) of this section, as follows:

(1) On or before the last day of each month, for producer milk received during the first 15 days of the month at not less than the Class II price for the preceding month; and

(2) On or before the 18th day after the end of each month, for each hundredweight of producer milk received during such month, an amount computed at not less than the uniform price adjusted pursuant to §§ 1049.72, 1049.73, and 1049.85, less any payment made pursuant to subparagraph (1) of this paragraph. If by such date the handler has not received full payment from the market administrator pursuant to § 1049.83 for such month, he may reduce pro rata his payments to producers by not more than the amount of such underpayment. Payment to producers shall be completed thereafter not later than the date for making payments pursuant to this paragraph next following receipt of the balance due from the market administrator.

(b) Each handler shall make payment to the cooperative association for producer milk which it caused to be delivered to such handler, if such cooperative association is authorized to collect such payments for its members and exercises such authority, an amount equal to the sum of the individual payments otherwise payable for such producer milk, as follows:

(1) On or before the 26th day of each month for producer milk received during the first 15 days of the month; and

(2) On or before the 16th day after the end of each month for milk received during such month.

(c) Each handler shall pay to each cooperative association, on or before the 10th day of the following month, for milk the handler receives during the month from a pool plant operated by such association, not less than the minimum prices for milk in each class, subject to the applicable location and butterfat differentials.

(d) In making payments for producer milk pursuant to this section, each handler shall furnish each producer or cooperative association from whom he has received milk a supporting statement in such form that it may be retained by the recipient which shall show:

(1) The month and identity of the producer;

(2) The daily and total pounds and the average butterfat content of producer milk;

(3) The minimum rate or rates at which payment to the producer is required pursuant to this order;

(4) The rate which is used in making the payment if such rate is other than the applicable minimum rate;

(5) The amount, or the rate per hundredweight, and nature of each deduction claimed by the handler; and

(6) The net amount of payment to such producer or cooperative association.

§ 1049.81 Producer-settlement fund.

The market administrator shall establish and maintain a separate fund known as the "producer-settlement fund", which shall function as follows:

(a) All payments made by handlers pursuant to §§ 1049.62, 1049.82, 1049.84, and 1049.88 shall be deposited in such fund and out of which shall be made all payments pursuant to §§ 1049.83, 1049.84, and 1049.88, except that any payments due to any handler shall be offset by any payments due from such handler; and

(b) All amounts subtracted pursuant to § 1049.71(h) shall be deposited in this fund and set aside as an obligated balance until withdrawn to effectuate § 1049.80 in accordance with the requirements of § 1049.71(i).

§ 1049.82 Payments to the producer-settlement fund.

On or before the 15th day after the end of the month each handler shall pay to the market administrator the amount, if any, by which the total amounts specified in paragraph (a) of this section exceed the amounts specified in paragraph (b) of this section:

(a) The total of the net pool obligation computed pursuant to § 1049.70 for such handler; and

(b) The sum of—

(1) The value of such handler's producer milk at the applicable uniform prices specified in § 1049.80; and

(2) The value at the weighted average price(s) applicable at the location of the plant(s) from which received (not to be less than the value at the Class II price) with respect to other source milk for which a value is computed pursuant to § 1049.70(e).

§ 1049.83 Payment out of the producer-settlement fund.

On or before the 16th day after the end of each month the market administrator shall pay to each handler the amount, if any, by which the amount computed pursuant to § 1049.82(b) exceeds the amount computed pursuant to § 1049.82(a). If the balance in the producer-settlement fund is insufficient to make all payments pursuant to this section, the market administrator shall reduce uniformly such payments and shall complete such payments as soon as the necessary funds become available.

§ 1049.84 Adjustment of accounts.

Whenever verification by the market administrator of reports or payments of any handler discloses errors resulting in money due (a) the market administrator from such handler (b) such handler from the market administrator, or (c) any producer or cooperative association from such handler, the market administrator shall promptly notify such handler of any amount so due and payment thereof shall be made not later than the date for making payment next following such disclosure.

§ 1049.85 Marketing services.

(a) Except as set forth in paragraph (b) of this section, each handler in making payments to each producer pursuant to § 1049.80 shall deduct 5 cents per hundredweight or such lesser amount as the Secretary may prescribe with respect to producer milk received by such handler (except such handler's own farm production) during the month, and shall pay such deductions to the market administrator not later than the 15th day after the end of the month. Such money shall be used by the market administrator to verify or establish weights, samples, and tests of producer milk and to provide producers with market information. Such services shall be performed in whole or in part by the market administrator or by an agent engaged by and responsible to him.

(b) In the case of producers for whom a cooperative association is performing, as determined by the Secretary, the services set forth in paragraph (a) of this section, each handler shall make, in lieu of the deductions specified in paragraph (a) of this section, such deductions as are authorized by such producers and, on or before the 15th day after the end of each month, pay over such deductions to the association rendering such services.

§ 1049.86 Expense of administration.

As his pro rata share of the expense of administration of the order, each handler shall pay to the market administrator on or before the 15th day after the end of the month 4 cents per hundredweight or such lesser amount as the Secretary may prescribe, with respect (a) to producer milk, including such handler's own farm production, (b) other source milk at a pool plant allocated to Class I pursuant to §§ 1049.46(a)(3) and 1049.46(a)(7) and the corresponding steps of § 1049.46(b), and (c) Class I milk disposed of on a route in the marketing area from a partially regulated distributing plant that exceeds the hundredweight of Class I milk received during the month at such plant from pool plants and other order plants.

§ 1049.87 Termination of obligations.

The provisions of this section shall apply to any obligation under this part for the payment of money.

(a) The obligation of any handler to pay money required to be paid under the terms of this part shall, except as provided in paragraphs (b) and (c) of this section, terminate two years after the last day of the calendar month during which the market administrator receives the handler's utilization report on the milk involved in such obligation unless within such 2-year period the market administrator notifies the handler in writing that such money is due and payable. Service of such notice shall be complete upon mailing to the handler's last known address, and it shall contain, but need not be limited to, the following:

(1) The amount of the obligation;

(2) The months during which the milk, with respect to which the obligation exists, was received or handled; and

(3) If the obligation is payable to one or more producers or to an association of producers, the name of such producer or association of producers, or if the obligation is payable to the market administrator, the account for which it is to be paid.

(b) If a handler fails or refuses, with respect to any obligation under this part, to make available to the market administrator or his representatives all books and records required by this part to be made available, the market administrator may, within the 2-year period provided for in paragraph (a) of this section, notify the handler in writing of such failure or refusal. If the market administrator so notifies a handler, the said 2-year period with respect to such obligation shall not begin to run until the first day of the calendar month following the month during which all such books and records pertaining to such obligation are made available to the market administrator or his representative.

(c) Notwithstanding the provisions of paragraphs (a) and (b) of this section, a handler's obligation under this part to pay money shall not be terminated with respect to any transaction involving fraud or willful concealment of a fact, material to the obligation, on the part of the handler against whom the obligation is sought to be imposed.

(d) Any obligation on the part of the market administrator to pay a handler any money which such handler claims to be due him under the terms of this part shall terminate 2 years after the end of the calendar month during which the milk involved in the claim was received if an underpayment is claimed, or 2 years after the end of the calendar month during which the payment (including deduction or setoff by the market administrator) was made by the handler if a refund on such payment is claimed, unless such handler, within the applicable period of time, files, pursuant to section 8c(15)(A) of the Act, a petition claiming such money.

§ 1049.88 Overdue accounts.

Any unpaid obligation of a handler pursuant to § 1049.62, 1049.82, 1049.84(a), 1049.85(a), or 1049.86 shall be increased one-half of 1 percent on the first day of the month following after the date such obligation is due and on the first day of each succeeding month until such obligation is paid. Any remittance received by the market administrator postmarked prior to the first of the month shall be considered to have been received when postmarked.

EFFECTIVE TIME, SUSPENSION OF TERMINATION

§ 1049.90 Effective time.

The provisions of this part, or any amendments to this part, shall become effective at such time as the Secretary may declare and shall continue in force until suspended or terminated.

§ 1049.91 Suspension or termination.

The Secretary shall suspend or terminate any or all of the provisions of this part whenever he finds that it obstructs or does not tend to effectuate the declared policy of the Act. This part shall, in any event, terminate whenever the provisions of the Act authorizing it cease to be in effect.

§ 1049.92 Continuing power and duty of the market administrator.

(a) If, upon the suspension or termination of any or all of the provisions of this part, there are any obligations arising hereunder, the final accrual or ascertainment of which requires further acts by any handler, by the market administrator, or by any other person, the power and duty to perform such further acts shall continue notwithstanding such suspension or termination: *Provided*, That any such acts required to be performed by the market administrator shall, if the Secretary so directs, be performed by such other person, persons or agency as the Secretary may designate.

(b) The market administrator or such other person as the Secretary may designate shall (1) continue in such capacity until discharged by the Secretary; (2) from time to time account for all receipts and disbursements and deliver all funds or property on hand together with the books and records of the market administrator, or such person, to such person as the Secretary shall direct; and (3) if so directed by the Secretary execute such assignment or other instruments necessary or appropriate to vest in such person full title to all funds, property and claims vested in the market administrator or such person pursuant thereto.

§ 1049.93 Liquidation after suspension or termination.

Upon the suspension or termination of any or all provisions of this part the market administrator, or such person as the Secretary may designate shall, if so directed by the Secretary, liquidate the business of the market administrator's office and dispose of all funds and property then in his possession or under his control together with claims for any funds which are unpaid or owing at the time of such suspension or termination. Any funds collected pursuant to the provisions of this part, over and above the amounts necessary to meet outstanding obligations and the expenses necessarily incurred by the market administrator or such person in liquidating such funds, shall be distributed to the contributing handlers and producers in an equitable manner.

MISCELLANEOUS PROVISIONS

§ 1049.100 Separability of provisions.

If any provision of this part, or its application to any person or circumstances, is held invalid, the application of such provision, and of the remaining provisions of this part, to other persons or circumstances shall not be affected thereby.

§ 1049.101 Agents.

The Secretary may, by designation in writing, name any officer or employee of the United States to act as his agent or representative in connection with any of the provisions of this part.

PART 1030—MILK IN CHICAGO REGIONAL MARKETING AREA

§ 1030.6 [Amended]

1. In § 1030.6, paragraph (b) is revoked.

2. Section 1030.85 is revised to read as follows:

§ 1030.85 Payments from the producer-settlement fund.

On or before the 17th day after the end of each month, the market administrator shall pay to each handler the amount, if any, by which the amount computed pursuant to § 1030.84(b) exceeds the amount computed pursuant to § 1030.70: *Provided*, That if the balance in the producer-settlement fund is insufficient to make all payments pursuant to this section, the market administrator shall reduce uniformly such payments and shall complete such payments as soon as the necessary funds become available; *And provided further*, That during the first month an order is effective for the Indiana marketing area (Part 1049), the market administrator shall pay to the market administrator of the order regulating the handling of milk in the Indiana marketing area, for inclusion in the producer-settlement fund reserve of such order, such portion of the unobligated balance in the producer-settlement fund reserve which is associated with and attributable to the milk of producers for the month prior to the effective date of the Indiana order and which is regulated under the Indiana order.

Signed at Washington, D.C., on November 7, 1968.

JOHN C. BLUM,
Deputy Administrator, Regulatory Programs.

[F.R. Doc. 68-13618; Filed, Nov. 12, 1968; 8:46 a.m.]

SECURITIES AND EXCHANGE COMMISSION

[17 CFR Part 270]

[Release No. IC-5533]

PROPOSED QUANTITY DISCOUNTS ON INVESTMENT COMPANY SECURITIES

Extension of Time for Public Comments

The Securities and Exchange Commission today announced that it has authorized an extension to November 29, 1968, of the due date for comments upon its proposal for the revision of Rule 22d-1 (17 CFR § 270.22d-1) under the Investment Company Act of 1940. The proposal was published on October 7, 1968, in Investment Company Act Release No. 5507 (in the FEDERAL REGISTER on October 12, 1968 at 33 F.R. 15262).

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

NOVEMBER 5, 1968.

[F.R. Doc. 68-13601; Filed, Nov. 12, 1968; 8:45 a.m.]

Notices

FEDERAL POWER COMMISSION

[Docket No. RI69-187, etc.]

SHELL OIL CO. ET AL.

Order Accepting Contract Agreement, Providing for Hearings on and Suspension of Proposed Changes in Rates [1]

OCTOBER 31, 1968.

The above-named Respondents have tendered for filing proposed changes in presently effective rate schedules for sales of natural gas subject to the jurisdiction of the Commission. The proposed changes which constitute increased rates and charges, are designated as follows:

[1] Does not consolidate for hearing or dispose of the several matters herein.

Docket No.	Respondent	Rate schedule No.	Supplement No.	Purchaser and producing area	Amount of annual increase	Date filing tendered	Effective date unless suspended	Date suspended until—	Cents per Mcf: Rate in effect	Cents per Mcf: Proposed increased rate	Rate in effect subject to refund in dockets Nos.
RI69-187..	Shell Oil Co., 50 West 50th St., New York, N.Y. 10020.	241	7	Colorado Interstate Gas Co. (Hugoton Field, Grant, Haskell, and Seward Counties, Kans.).	$1,250	10-10-68	[2] 1-1-69	6-1-69	[5] 13.5	[3 4 5] 14.5	RI65-475.
RI69-188..	Union Oil Co. of California, Union Oil Center, Los Angeles, Calif. 90017, Attn: Mr. C. E. Smith.	149	3	Arkansas Louisiana Gas Co. (Canute Area, Washita County, Okla.) (Oklahoma "Other" Area).	8,000	10-10-68	[6] 11-10-68	4-10-69	15.0	[3 4] 17.0	
	----do----	139	17	Texas Eastern Transmission Corp. (Vienna Field, Lavaca County, Tex.) (RR. District No. 2).	1,400	10-10-68	[6] 11-10-68	4-10-69	15.6	[3 4] 16.6	RI66-317.
RI69-189..	Mobil Oil Corp., Post Office Box 1774, Houston, Tex. 77001.	414	[7] 12	Texas Eastern Transmission Corp. (Waskom Field, Harrison County, Tex.) (RR. District No. 6).	----------	[8] 10-10-68	[6] 11-3-68	(Accepted)	----------	----------	
		414	13		13,260	10-3-68	[6] 11-3-68	4-3-69	14.0	[4 9 10] 16.1	
RI69-190..	Sohio Petroleum Co. (Operator) et al., 970 First National Annex, Oklahoma City, Okla. 73102, Attn: Gas-Gasoline Division.	53	5	Colorado Interstate Gas Co. (Keyes Field, Cimarron County, Okla.) (Panhandle Area).	171	10-14-68	[2] 1-1-69	6-1-69	[10 12] 17.015	[3 4 11 12] 18.015	RI68-552.
RI69-191..	Skelly Oil Co., Post Office Box 1650, Tulsa, Okla. 74102.	118	2	Northern Natural Gas Co. (Hoskinson Unit, Finney County, Kans.).	86	10-9-68	[2] 11-9-68	4-9-69	[5] 12.0	[3 4 5 13] 13.0	
RI69-192..	Edwin L. Cox, et al., 3800 First National Bank Bldg., Dallas, Tex. 75202.	45	11	Texas Eastern Transmission Corp. (Delhi Field, Franklin, Richland, and Madison Parishes, La.) (North Louisiana Area).	28	10-14-68	[6] 11-14-68	4-14-69	[15] 16.8263	[3 14 15] 17.8519	
RI69-193..	Sohio Petroleum Co., 970 First National Annex, Oklahoma City, Okla. 73102, Attn: Gas-Gasoline Division.	11	14	Texas Eastern Transmission Corp. (Delhi Pool, Richland Parish, La.) (North Louisiana Area).	5	10-14-68	[6] 11-14-68	4-14-69	[15] 17.4417	[3 14 15] 17.6468	RI67-81.
RI69-194..	Ashland Oil & Refining Co., Post Office Box 18695, Oklahoma City, Okla 73118.	135	3	Panhandle Eastern Pipe Line Co. (Hugoton Field, Stevens, Grant, and Seward Counties, Kans.).	40,890	10-11-68	[2] 11-15-68	4-15-69	[16] 12.0025	[3 4 16] 13.0025	RI67-376.
RI69-195..	Standard Oil Co. of Texas, a division of Chevron Oil Co., Post Office Box 1249, Houston, Tex. 77001, Attn: Mr. C. W. Proctor.	26	4	South Texas Natural Gas Gathering Co. (Northeast Thompsonville Field, Jim Hogg County, Tex.) (RR. District No. 4).	211,934	10-4-68	[2] 11-4-68	4-4-69	[5 20] 16.09	[5 17 18 19] 19.10	
RI69-196..	Standard Oil Co. of Texas, a division of Chevron Oil Co. (Operator).	34	3	Natural Gas Pipeline Co. of America (Sejita Field, Duval County, Tex.) (RR. District No. 4).	316,290	10-4-68	[2] 11-4-68	4-4-69	[5 20] 16.09	[5 18 19] 19.10	
RI69-197..	James A. Wood, Trustee (Operator) et al., Post Office Box 609, Mission, Tex. 78572.	4	[21] 6	Tennessee Gas Pipeline Co., a division of Tenneco Inc. (LaReforma Field, Starr and Hidalgo Counties, Tex.) (RR. District No. 4).	1,560	10-8-68	[6] 11-8-68	4-8-69	[5 22] 14.6	[3 4 5] 15.6	

[2] The stated effective date is the effective date requested by Respondent.
[3] Periodic rate increase.
[4] Pressure base is 14.65 p.s.i.a.
[5] Subject to a downward B.t.u. adjustment.
[6] The stated effective date is the first day after expiration of the statutory notice.
[7] Letter agreement dated July 24, 1957, provides for rate of 14.2 cents commencing Sept. 1, 1957, and increase to 14.4 cents on Nov. 1, 1957, and 0.2 cent periodic increases for each of the succeeding 18 years thereafter. The price remains at 18 cents for all gas delivered on and after Nov. 1, 1975.
[8] Complete notice of change filed Oct. 13, 1968.
[9] Renegotiated rate increase.
[10] "Fractured" rate increase. Respondent is contractually due rate of 16.6 cents per Mcf.
[11] Includes 0.015 cent tax reimbursement.
[12] Subject to upward and downward B.t.u. adjustment.
[13] Periodic rate increase. Contractually due a periodic increase to 14 cents per Mcf.
[14] Pressure base is 15.025 p.s.i.a.
[15] Rate includes 1.75 cent tax reimbursement and is before deduction by buyer of 1.35 cents handling charge.
[16] Includes 0.0025 cent tax reimbursement.
[17] "Fractured" rate increase. Contractually entitled to a total rate of 22.09 cents (20.41 cents base ± 1.43 cents tax reimbursement ± 0.25 cent dehydration reimbursement) at 14.73 p.s.i.a.
[18] Pressure base is 14.73 p.s.i.a.
[19] Subject to 0.25 cent allowance paid to seller for gas requiring dehydration by seller.
[20] Permanently certificated initial "In-Line" rate as provided by Opinion No. 422.
[21] Applicable only to increase added under Supplement No. 4.
[22] Settlement rate as approved by Commission letter order issued Mar. 22, 1961, in Docket No. CI61-1251.

Union Oil Company of California requests effective dates of November 1 and 6, 1968, for its proposed rate increases. Mobil Oil Corp. (Mobil) requests that its proposed contract agreement and rate increase be permitted to become effective on November 1, 1968. Edwin L. Cox, et al., and Sohio Petroleum Co. (Supplement No. 14 to Sohio's FPC Gas Rate Schedule No. 11) request an effective date of November 1, 1968, for their proposed rate increases, and James A. Wood, Trustee (Operator) et al., requests that his proposed rate increase be permitted to become effective on November 7, 1968. Good cause has not been shown for waiving the 30-day notice requirement provided in section 4(d) of the Natural Gas Act to permit earlier effective dates for the aforementioned producers' rate filings and such requests are denied.

Edwin L. Cox, et al., and Sohio Petroleum Co. (Supplement No. 14 to Sohio's FPC Gas Rate Schedule No. 11) propose periodic increases in rates for sales to Texas Eastern Transmission Corp. from the Delhi Gasoline Plant in north Louisiana. The producers' proposed rates, which include 1.75-cent tax reimbursement, are subject to deduction by the buyer of 1.35 cents handling charge for costs incurred between the tailgate of the Delhi Plant and the transmission line. The Commission has previously considered the rate to producers from this plant to be the net rate received at the tailgate of the plant. After deducting the 1.35 cents handling charge from the proposed rates, the net rates received at the plant tailgate still exceed the area increased rate ceiling of 14 cents plus tax reimbursement for the Northern Louisiana Area and should be suspended for 5 months from November 14, 1968, the date of expiration of the statutory notice.

Concurrently with the filing of its rate increase, Mobil submitted a letter agreement dated July 24, 1957, designated as Supplement No. 12 to Mobil's FPC Gas Rate Schedule No. 414, which provides the basis for its proposed rate increase under such rate schedule. We believe that it would be in the public interest to accept for filing Mobil's proposed letter agreement to become effective on November 3, 1968, the expiration date of the statutory notice, but not the proposed rate contained therein which is suspended as hereinafter ordered.

All of the producers' proposed increased rates and charges exceed the applicable area price levels for increased rates as set forth in the Commission's statement of general policy No. 61–1, as amended (18 CFR Ch. I, Part 2, § 2.56).

The proposed changed rates and charges may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds:

(1) Good cause has been shown for accepting for filing Mobil's contract agreement dated July 24, 1957, designated as Supplement No. 12 to Mobil's FPC Gas Rate Schedule No. 414, and for permitting such supplement to become effective on November 3, 1968, the date of expiration of the statutory notice.

(2) It is necessary and proper in the public interest and to aid in the enforcement of the provisions of the Natural Gas Act that the Commission enter upon hearings concerning the lawfulness of the proposed changes, and that the above-designated supplements be suspended and the use thereof deferred as hereinafter ordered (except for the supplement referred to in paragraph (1) above).

The Commission orders:

(A) Supplement No. 12 to Mobil's FPC Gas Rate Schedule No. 414 is accepted for filing and permitted to become effective on November 3, 1968, the date of expiration of the statutory notice.

(B) Pursuant to the authority of the Natural Gas Act, particularly sections 4 and 15 thereof, the Commission's rules of practice and procedure, and the regulations under the Natural Gas Act (18 CFR Ch. I), public hearings shall be held upon dates to be fixed by notices from the Secretary concerning the lawfulness of the proposed increased rates and charges contained in the above-designated rate supplements (except the supplement set forth in paragraph (A) above).

(C) Pending hearings and decisions thereon, the above-designated supplements are hereby suspended and the use thereof deferred until the date indicated in the above "Date Suspended Until" column, and thereafter until such further time as they are made effective in the manner prescribed by the Natural Gas Act.

(D) Neither the supplements hereby suspended, nor the rate schedules sought to be altered thereby, shall be changed until these proceedings have been disposed of or until the periods of suspension have expired, unless otherwise ordered by the Commission.

(E) Notices of intervention or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C. 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 and 1.37(f)), on or before December 16, 1968.

By the Commission.

[SEAL] GORDON M. GRANT, *Secretary.*

[F.R. Doc. 68–13507; Filed, Nov. 12, 1968; 8:45 a.m.]

[Docket No. G–3573 etc.]

SOUTHERN PETROLEUM EXPLORATION, INC., ET AL.

Notice of Applications for Certificates, Abandonment of Service and Petitions To Amend Certificates [1]

NOVEMBER 1, 1968.

Take notice that each of the Applicants listed herein has filed an application or petition pursuant to section 7 of the Natural Gas Act for authorization to sell natural gas in interstate commerce or to abandon service as described herein, all as more fully described in the respective applications and amendments which are on file with the Commission and open to public inspection.

Protests or petitions to intervene may be filed with the Federal Power Comission, Washington, D.C. 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before November 29, 1968.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure, a hearing will be held without further notice before the Commission on all applications in which no protest or petition to intervene is filed within the time required herein if the Commission on its own review of the matter believes that a grant of the certificates or the authorization for the proposed abandonment is required by the public convenience and necessity. Where a protest or petition for leave to intervene is timely filed, or where the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given: *Provided, however,* That pursuant to § 2.56, Part 2, Statement of General Policy and Interpretations, Chapter I of Title 18 of the Code of Federal Regulations, as amended, all permanent certificates of public convenience and necessity granting applications, filed after July 1, 1967, without further notice, will contain a condition precluding any filing of an increased rate at a price in excess of that designated for the particular area of production for the period prescribed therein unless at the time of filing of protests or petitions to intervene the Applicant indicates in writing that it is unwilling to accept such a condition. In the event Applicant is unwilling to accept such condition the application will be set for formal hearing.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicants to appear or be represented at the hearing.

GORDON M. GRANT, *Secretary.*

[1] This notice does not provide for consolidation for hearing of the several matters covered herein.

Docket No. and date filed	Applicant	Purchaser, field, and location	Price per Mcf	Pressure base
G-3573 C 8-16-68	Southern Petroleum Exploration, Inc., Post Office Box 192, Sistersville, W. Va. 26175.	El Paso Natural Gas Co., Chacra Formation, Rio Arriba County, N. Mex.	12.0	15.025
G-4831 10-8-68 [1]	Pan American Petroleum Corp. (Operator) et al., Post Office Box 591, Tulsa, Okla. 74102.	Natural Gas Pipeline Co. of America, Old Ocean Field (Larsen Reservoir), Brazoria and Matagorda Counties, Tex.	14.0	14.65
G-7241 C 10-21-68	Aztec Oil & Gas Co., 2000 First National Bank Bldg., Dallas, Tex. 75202.	El Paso Natural Gas Co., Aztec Pictured Cliffs Field, San Juan County, N. Mex.	12.05085	15.025
G-11120 D 10-16-68	Cities Service Oil Co., Cities Service Bldg., Bartlesville, Okla. 74003.	Consolidated Gas Supply Corp., Gaskill Township, Jefferson County, Pa.	Assigned	
G-11997 10-8-68 [1]	Mobil Oil Corp., Post Office Box 1774, Houston, Tex. 77001.	Natural Gas Pipeline Co. of America, Old Ocean Field (Larsen Reservoir), Brazoria County, Tex.	16.37588	14.65
G-13633 D 9-30-68	Union Producing Co., Post Office Box 1407, Shreveport, La. 71102 (partial abandonment).	United Gas Pipe Line Co., Bethany Field, Panola County, Tex.	(2)	
CI60-175 8-26-68 [3]	Pubco Petroleum Corp., (Operator) et al., Post Office Box 869, Albuquerque, N. Mex. 87103.	El Paso Natural Gas Co., Basin Dakota Field, Rio Arriba County, N. Mex.	13.0	15.025
CI60-252 C 10-10-68	Mobil Oil Corp	Panhandle Eastern Pipe Line Co., Guymon-Hugoton (Deep) Field, Texas County, Okla.	17.0	14.65
CI60-252 D 10-17-68	do	do	Assigned	
CI61-374 E 10-1-68	D. H. Byrd (Operator) et al. (successor to Wiley Page (Operator) et al.) 1110 Tower Petroleum Bldg., Dallas, Tex. 75201.	Texas Eastern Transmission Corp., Willow Springs Field, Gregg County, Tex., and North Lansing Field, Harrison County, Tex.	[4] 15.6	14.65
CI61-1024 D 10-17-68	Mobil Oil Corp. (Operator) et al	Natural Gas Pipeline Co. of America, North Custer Field, Custer County, Okla.	Assigned	
CI61-1790 C 8-14-68	Paul F. Rutledge (Operator) et al., Post Office Box 2303, Santa Fe, N. Mex. 87501.	El Paso Natural Gas Co., Devil's Fork Gallup Field, Rio Arriba County, N. Mex.	12.0	15.025
CI62-1251 C 10-23-68	Joseph E. Seagram & Sons, Inc., d.b.a. Texas Pacific Oil Co., Post Office Box 747, Dallas, Tex. 75221.	Arkansas Louisiana Gas Co., Wilburton Field, Pittsburg County, Okla.	[5] 15.0	14.65
CI62-1515 E 10-14-68	Kenneth D. Luff (successor to Gulf Oil Corp., Operator), 210 Patterson Bldg., Denver, Colo. 80202.	Mountain Fuel Supply Co., State Line Unit, Sweetwater and Carbon Counties, Wyo.	15.0	15.025
CI63-194 E 10-14-68	Kenneth D. Luff (successor to St. Helens Petroleum Corp.).	do	15.0	15.025
CI63-669 D 10-9-68	Mobil Oil Corp	Mountain Fuel Supply Co., State Line Unit Area, Sweetwater County, Wyo	Assigned	
CI63-669 E 10-14-68	Kenneth D. Luff (successor to Mobil Oil Corp.).	Mountain Fuel Supply Co., State Line Unit, Sweetwater and Carbon Counties, Wyo.	15.0	15.025
CI64-844 E 9-26-68 [6]	Brammer Engineering, Inc., agent (Operator) et al. (successor to John Franks (Operator) et al.), 1009 Petroleum Tower, Shreveport, La. 71101.	Texas Gas Transmission Corp., Ruston Field, Lincoln Parish, La.	16.0	15.025
CI64-902 C 8-9-68	Delta Drilling Co. (Operator) et al.,[7] Post Office Box 2012, Tyler, Tex. 75701.	Northern Natural Gas Co., Ozona Area, Crockett County, Tex.	16.5	14.65
CI64-953 E 9-30-68	Brammer Engineering, Inc., agent (Operator) et al. (successor to John Franks).	Florida Gas Transmission Co., North Veltin Field, St. Landry Parish, La.	15.0	15.025
CI65-461 C 10-14-68	Sinclair Oil Corp.,[8] Post Office Box 521, Tulsa, Okla. 74102.	El Paso Natural Gas Co., Basin Dakota Field, San Juan County, N. Mex.	13.0	15.025
CI65-1221 E 9-19-68 [6]	Brammer Engineering, Inc., agent (Operator) et al. (successor to Franks Petroleum (Operator) et al.).	Texas Gas Transmission Corp., Sugar Creek Field, Claiborne Parish, La.	[9] 18.25	15.025
CI66-470 9-3-68 [10] as supp. 10-16-68	Sunray DX Oil Co., Post Office Box 2039, Tulsa, Okla. 74102.	Arkansas Louisiana Gas Co., Arkoma Area, Le Flore County, Okla.	15.0	14.65
CI66-1036 C 10-10-68	J. Gregory Merrion et al	El Paso Natural Gas Co., Basin Dakota Field, Sandoval County, N. Mex.	13.0	15.025
CI66-1072 A 5-3-66	Skelly Oil Co.,[7] Post Office Box 1650, Tulsa, Okla. 74101.	El Paso Natural Gas Co., Eumont Gas Pool, Lea County, N. Mex.	12.5	14.65
CI67-349 C 10-9-68	Bruce Anderson, Suite 600, Southwest Tower, Houston, Tex. 7700[illegible].	Panhandle Eastern Pipe Line Co., South Peek Field, Ellis County, Okla.	[11] 17.0	14.65
CI67-1744 C 10-16-68	W. Leslie Rogers, North Park Drive and Airport Highway, Pennsauken, N.J. 08110.	Equitable Gas Co., Central District, Doddridge County, W. Va.	25.0	15.325
CI68-156 D 10-11-68	Mobil Oil Corp	Natural Gas Pipeline Co. of America, Northeast Custer City Field, Custer County, Okla.	Assigned	
CI68-156 D 10-17-68	do	do	Assigned	
CI68-1148 C 10-16-68	Appalachian Exploration & Development, Inc., c/o Boyd D. Taylor, Post Office Box 1473, Charleston, W. Va. 25325.	United Fuel Gas Co., Poca District, Kanawha County, W. Va.	28.0	15.325
CI68-1439 C 10-21-68	John H. Hill (Operator) et al., c/o Gordon L. Llewellyn, Attorney, 900 Southland Center, Dallas, Tex. 75201.	Northern Natural Gas Co., Mocane Field, Beaver and Harper Counties, Okla.	[11] 17.0	14.65
CI69-250 F 9-5-68 [12]	Latham Oil Co., Inc. (successor to Sun Oil Co., et al.), Post Office Box 1581, Shreveport, La. 71102.	United Gas Pipe Line Co., Maxie-Pistol Ridge Fields, Forrest and Pearl River Counties, Miss.	20.0	15.025
CI69-357 A 10-8-68	Mobil Oil Corp	Natural Gas Pipeline Co. of America, Plant Outlet, Old Ocean Field, Brazoria County, Tex.	17.0	14.65
CI69-358 A 10-10-68	Petrodyne Industries, Inc. (Operator), et al., 1709 Avondale, Amarillo, Tex. 79106.	Kansas-Nebraska Natural Gas Co., Inc., Dombey (Viola) Field, Beaver County, Okla.	[11] 17.0	14.65
CI69-359 B 10-4-68	Sun Oil Co. (Gulf Coast Division), 1608 Walnut St., Philadelphia, Pa. 19103.	Union Texas Petroleum, a division of Allied Chemical Corp., Jackson Pasture Field, Chambers County, Tex.	Depleted	
CI69-360 B 10-7-68	Texaco, Inc., Post Office Box 52332, Houston, Tex, 77052.	Kansas-Nebraska Natural Gas Co., Inc., Arrow Field, Washington County, Colo.	[14]	
CI69-361 A 10-10-68	Lora Oil & Gas Co., 600 Eastlawn Ave., Parkersburg, W. Va. 26101.	Cabot Corp., acreage in Calhoun County, W. Va.	17.5	15.325
CI69-362 B 10-10-68	Texaco, Inc	Kansas-Nebraska Natural Gas Co., inc., Surveyor Creek Field, Washington County, Colo.	[15]	
CI69-363 A10-9-68	Lyons Petroleum (Operator) et al., c/o J. A. Dykes, attorney, 1500 Beck Bldg., Shreveport, La. 71101.	United Gas Pipe Line Co., Chauvin Field, Terrebonne Parish, La.	21.25	15.025
CI69-364 A 10-8-68	Pan American Petroleum Corp. (Operator) et al	Natural Gas Pipeline Co. of America, Old Ocean Field (Campbell Reservoir), Brazoria and Matagorda Counties, Tex.	17.0	14.65
CI69-365 A 10-8-68	Pan American Petroleum Corp. [7]	Natural Gas Pipeline Co. of America, Lochridge Field, Ward County, Tex.	16.5	14.65
CI69-366 A 10-14-68	Robert E. Vinson (Operator) et al., 2209 Miramar, Wichita Falls, Tex. 76302.	Cities Service Gas Co., Aetna Field, Barber County, Kans.	[16] 14.0	14.65
CI69-367 (G-17459) F 10-4-68	Mobil Oil Corp. (successor to Gordon St., Inc.).	El Paso Natural Gas Co., Spraberry Field, Midland County, Tex.	14.5	14.65
CI69-368 A 10-7-68	H. F. Sears, Box 94238, Capitol Hill Station, Oklahoma City, Okla. 73109.	Phillips Petroleum Co., West Panhandle Red Cave Field, Hutchinson County, Tex.	[17] 14.0	14.65
CI69-369 B 10-14-68	F. William Carr (Operator) et al., c/o Michael Kendrick, Jr., attorney, Head & Kendrick, 707 Wilson Tower, Corpus Christi, Tex. 78401.	Banquete Gas Co., a division of Crestmont Oil & Gas Co., Spartan and Odem Fields, San Patricio County, Tex.	Depleted	
CI69-370 B 10-14-68	Quaker State Oil Refining Corp., Box 337, Bradford, Pa. 16701.	Equitable Gas Co., Cove and Southwest Districts, Doddridge County; Troy District, Gilmer County; and Union District, Ritchie County, W. Va.	Uneconomical	

Filing code: A—Initial service.
B—Abandonment.
C—Amendment to add acreage.
D—Amendment to delete acreage.
E—Succession.
F—Partial succession.

See footnotes at end of table.

Docket No. and date filed	Applicant	Purchaser, field, and location	Price per Mcf	Pressure base
CI69-371 A 10-7-68	Robert L. Parker et al., c/o D. L. Fist, attorney, Midstates Bldg., Tulsa, Okla. 74103.	Mobil Oil Corp., Northeast Custer City Field, Custer County, Okla.	[18] 15.24	14.65
CI69-372 B 10-14-68	Sunray DX Oil Co.	Texas Gas Transmission Corp., Egan Field, Acadia Parish, La.	Depleted	
CI69-373 A 10-10-68	Texaco, Inc.	Pacific Lighting Service and Supply Co., Federal Lease No. OCS-P-0241, Parcel 402, Santa Barbara Channel Area, Offshore Santa Barbara County, Calif.	27.0	14.73
CI69-374 A 10-2-68	Phil W. Phillips (successor to Kirby Petroleum Co.), Post Office Box 788, Perryton, Tex. 79070.	Michigan Wisconsin Pipe Line Co., Laverne Field, Harper County, Okla.	[11] 17.0	14.65
CI69-375 B 10-9-68	Robert Mosbacher	United Fuel Gas Co., Valentine Field, Lafourche Parish, La.	[19]	
CI69-376 (CI60-441) F 10-4-68	Payne Producing Co. (successor to CRA, Inc.), Post Office Box 60005, Corpus Christi, Tex. 78406.	Texas San Juan Oil Corp., Miller and Fox Fields, Duval County, Tex.	[20] 12.0	14.65
CI69-377 B 10-7-68	Production Distribution, Inc. et al., 250 First Equity Bldg., 14 North Robinson St., Oklahoma City, Okla. 73102.	Transcontinental Gas Pipe Line Corp., Reeves Field, Allen Parish, La.	Depleted	
CI69-378 A 10-11-68	S. A. Story, Post Office Box 2507, Corpus Christi, Tex. 78403.	Texas Eastern Transmission Corp., Plymouth East 4300' Field Area, San Patricio County, Tex.	16.0	14.65
CI69-379 A 10-10-68	Arco Petroleum Co., 8300 Santa Monica Blvd., Los Angeles, Calif. 90069.	Equitable Gas Co., Clay District, Ritchie County, W. Va.	25.0	15.325
CI69-380 (G-18389) F 10-4-68	Payne Producing Co. (successor to Union Oil Co. of California).	Florida Gas Transmission Co., Kentucky Mott Field, Victoria County, Tex.	18.5	14.65
CI69-381 A 10-10-68	Amelia R. Josey, 2508 Northwest 62d St., Oklahoma City, Okla. 73112.	Arkansas Louisiana Gas Co. acreage in Latimer County, Okla.	16.0	14.65
CI69-382 A 10-10-68	H. F. Sears	Phillips Petroleum Co., West Panhandle Red Cave Field, Hutchinson County, Tex.	[17] 13.0	14.65
CI69-383 A 10-11-68	Otis Russell (Operator) et al., Post Office Box 1447, Bay City, Tex. 77414.	Valley Gas Transmission, Inc., Lissie Field Area, Wharton County, Tex.	14.0	14.65
CI69-384 A 10-14-68	H. F. Sears	Phillips Petroleum Co., West Panhandle Field, Hutchinson County, Tex.	[17] 14.0	14.65
CI69-385 A 10-14-68	Bruce Anderson, 600 Southwest Tower, Houston, Tex. 77002.	Cities Service Gas Co., South Bishop Field, Ellis County, Okla.	17.0	14.65
CI69-386 A 10-17-68	Creslenn Oil Co., 1111 Mercantile Dallas Bldg., Dallas, Tex. 75201.	United Fuel Gas Co., acreage in Roane County, W. Va.	25.0	15.325
CI69-387 B 10-17-68	Amerada Petroleum Corp., Post Office Box 2040, Tulsa, Okla. 74102.	Transcontinental Gas Pipe Line Corp., Blocks 129 and 130, Vermilion Area, Gulf of Mexico.	Depleted	
CI69-388 A 10-17-68	Shenandoah Oil Corp. (Operator) et al., 406 Mutual Savings Bldg., Fort Worth, Tex. 76102.	Michigan Wisconsin Pipe Line Co., acreage in Beaver County, Okla.	[11] 17.0	14.65
CI69-389 A 10-17-68	Hughes Seewald, 701 First National Bank Bldg., Amarillo, Tex. 7901.	Colorado Interstate Gas Co. Keyes Field, Cimarron County, Okla.	[11] 17.0	14.65
CI 69-390 B 10-16-68	Sunray DX Oil Co.	Tennessee Gas Pipeline Co., a division of Tenneco Inc., Seeligson Field, Jim Wells County, Tex.	Depleted	
CI69-391 A 10-16-68	Meason Operating Co., Post Office Box 1366, Natchez, Miss. 39120.	Humble Gas Transmission Co., Magnolia Field, Adams County, Miss.	13.0	15.025
CI69-392 A 10-16-68	Publishers Petroleum, a division of the Oklahoma Publishing Co.	Panhandle Eastern Pipe Line Co., East Kismet Field, Seward County, Kans.	[21] 16.0	14.65
CI69-395 A 10-21-68	Jogruss Oil Corp., Post Office Box 1228, Parkersburg, W. Va. 26101.	United Fuel Gas Co., East Spencer Field, Roane County, W. Va.	25.0	15.325
CI69-396 A 10-21-68	Atlantic-Inland Oil Corp., 1800 Roundhill Road, Charleston, W. Va. 25314.	United Fuel Gas Co., Wheaton Run Field, Jackson County, W. Va.	28.0	15.325
CI69-397 B 10-21-68	Hughes River Oil & Gas Co., 1303 Jefferson St., Great Bend, Kans. 67530.	Consolidated Gas Supply Corp., Southwest District, Doddridge County, W. Va.	Uneconomical	
CI69-398 B 10-21-68	Stalnaker Lease, c/o C. B. Lewis, agent, Box 56, Spencer, W. Va. 25276.	Consolidated Gas Supply Corp., Washington District, Calhoun County, W. Va.	Uneconomical	
CI69-399 B 10-18-68	Sun Oil Co. (Southwest Division), 1608 Walnut St., Philadelphia, Pa. 19103.	Phillips Petroleum Co., Texas-Hugoton Field, Hansford County, Tex.	Depleted	

See footnotes at end of table.

[1] Application to amend certificate to revise average daily contract quantity, extend the contract term and provide for price schedule to apply during extended term.
[2] Insufficient delivery pressure.
[3] Application to amend the certificate to include interest of Brookhaven Oil Co. and Dacresa Corp. who converted an overriding royalty interest into a working interest as of Jan. 1, 1968.
[4] Rate effective subject to refund in Docket No. RI64-203.
[5] Subject to deduction for compression if such service is performed by Buyer.
[6] Amendment to certificate filed to reflect change of Operator.
[7] Applicant has agreed to accept authorization conditioned as Opinion No. 468, as modified by Opinion No. 468-A.
[8] Successor to Sinclair Oil & Gas Co.
[9] Includes 1.75 cents per Mcf tax reimbursement.
[10] Amendment to certificate filed to include interest of coowner, Roy W. Meed.
[11] Subject to upward and downward B.t.u. adjustment.
[12] Omitted.
[13] Application to continue sales authorized by Sun Oil Co., Sinclair Oil & Gas Co., Union Producing Co., Union Oil Co., Humble Oil & Refining Co., Southern Natural Gas Co., Gulf Oil Corp., Marathon Oil Co., C.R. Ridgway et al., George D. Hunt & E. R. Whitaker, C.F. & H. Oil Co., Inc., Larco Drilling Co., Fred LaRue et al. in Dockets Nos. G-8592, G-10984, G-9395, G-13633, G-14370, G-8816, G-8679, G-10827, G-11821, G-8854, G-8462, G-10613, CI66-899, G-9903, G-16528, CI66-805, and CI68-199, respectively.
[14] Well was plugged and abandoned due to water encroachment.
[15] Production is no longer in commercial quantities.
[16] Subject to 1½-cent reduction if pressure falls below 300 p.s.i.g.
[17] Less 0.4466 cent for sour gas.
[18] Includes 0.24 cent upward B.t.u. adjustment. Subject to upward and downward B.t.u. adjustment.
[19] Well ceased to produce in January 1967.
[20] Rate in effect subject to refund in Docket No. RI65-583.
[21] Subject to upward B.t.u. adjustment.

[F.R. Doc. 68-13506; Filed, Nov. 12, 1968; 8:45 a.m.]

[Docket No. E-7452]

ALABAMA POWER CO.

Notice of Application

NOVEMBER 4, 1968.

Take notice that on October 23, 1968, Alabama Power Co. (Applicant) filed an application seeking an order pursuant to section 203 of the Federal Power Act authorizing the sale of certain electric facilities to the Utilities Board of the city of Sylacauga, Ala.

Applicant is incorporated under the laws of the State of Alabama with its principal business office at Birmingham, Ala., and is engaged in the electric utility business in 625 communities in the State of Alabama.

The facilities to be sold consist of two distribution substations now used by the Applicant to serve the city of Sylacauga. The total purchase price of the facilities to be sold is $175,083.

Consummation of the proposed transaction will result in superseding the present power supply contract with a new power supply contract, including provisions for a discount in power cost due to substation ownership by the city of Sylacauga.

Any person desiring to be heard or to make any protest with reference to said application should on or before November 25, 1968, file with the Federal Power Commission, Washington, D.C. 20426, petitions or protest in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10). The application is on file and available for public inspection.

GORDON M. GRANT,
Secretary.

[F.R. Doc. 68-13587; Filed, Nov. 12, 1968; 8:45 a.m.]

[Docket No. RP69-14]

ALGONQUIN GAS TRANSMISSION CO.

Notice of Proposed Changes in Rates and Charges

NOVEMBER 5, 1968.

Notice is hereby given that Algonquin Gas Transmission Co. on October 30,

1968, filed proposed changes in its FPC Gas tariff, to become effective on December 15, 1968. The proposed changes would increase rates by $9,314,315 per year to Algonquin's jurisdictional customers based upon sales for the year ended August 31, 1968, as adjusted. The proposed increases would be applicable to Algonquin's FPC Rate Schedules F–1, I–1, WS–1, E–1, ERS–1, X–1, X–5, and T–1.

Algonquin states that the principal reasons for the proposed rate increases are to compensate Algonquin for increases in the cost of purchased gas, materials, supplies, labor, taxes and cost of capital.

Protests, petitions to intervene or notices of intervention may be filed with the Federal Power Commission, Washington, D.C. 20426, pursuant to the Commission's rules of practice and procedure on or before November 25, 1968.

GORDON M. GRANT,
Secretary.

[F.R. Doc. 68–13588; Filed, Nov. 12, 1968; 8:45 a.m.]

[Docket No. CP69–126]

CENTRAL GAS FARMERS CO-OPERATIVE SOCIETY AND EL PASO NATURAL GAS CO.

Notice of Application

NOVEMBER 5, 1968.

Take notice that on October 28, 1968, Central Gas Farmers Co-Operative Society (Applicant), Castro County, Tex., filed in docket No. CP69–126 an application pursuant to section 7(a) of the Natural Gas Act for an order directing El Paso Natural Gas Co. (Respondent) to establish physical connection of its natural gas transmission facilities with the facilities of Applicant as proposed herein, and to sell natural gas to Applicant for resale to its members in Castro and Lamb Counties, Tex., all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Specifically, Applicant seeks to install a meter and other appurtenant equipment at each of 35 taps on the main line of Respondent in Castro and Lamb Counties to supply gas to 478 wells owned by its members. Applicant also proposes to make other taps on Respondent's line as necessary.

Applicant states that the proposed connection will reduce the cost of irrigation gas to its members by about one-third.

Applicant estimates annual operating requirements at 1,710,600 Mcf and peak month requirements at 316,461 Mcf.

Applicant states that the proposed cost of construction of meters will be borne by the members. Any additional construction costs are expected to be nominal.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C. 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) and the regulations under the Natural Gas Act (157.10) on or before December 2, 1968.

GORDON M. GRANT,
Secretary.

[F.R. Doc. 68–13589; Filed, Nov. 12, 1968; 8:45 a.m.]

[Project No. 2577]

FARMINGTON RIVER POWER CO.

Order Providing for Investigation and Hearing

NOVEMBER 4, 1968.

The Farmington River Power Co. of New Britain, Conn., a wholly owned subsidiary of the Stanley Works of New Britain, Conn., on February 25, 1966, filed with the Federal Power Commission an application for license under § 4.50 of the Commission's regulations and sections 4(e), 4(g), and 23(b) of the Federal Power Act (16 U.S.C. 797(e), 797(g), 817) for a constructed hydroelectric project on the Farmington River in Windsor County, Conn. Company asked in the alternative that the Federal Power Commission, following an investigation, find that the project does not have to be licensed under the Act.

The Commission's staff (staff) has made an office study of the project based on materials in the Commission's files and it appears that the operation of the project with and through Connecticut Light & Power Co. and other "CONVEX" companies and for other reasons would affect the interests of interstate or foreign commerce within the meaning of the Act. FPC v. Union Electric Co., 381 U.S. 90 (1965). The Company has requested a hearing.

The Commission finds: It is appropriate and in the public interest to hold an investigation and a public hearing as hereinafter provided respecting the matters involved and the issues presented by the aforesaid application and request.

The Commission orders:

(A) The Farmington River Power Co., Connecticut Light and Power and other "CONVEX" companies are hereby directed pursuant to the provisions of the Federal Power Act, particularly sections 301, 307, 308, and 309 thereof, to grant to members of the staff of the Federal Power Commission during regular business hours free access to and opportunity to inspect and examine all facilities and properties, and to inspect, examine and make copies of accounts, memoranda and other records of those companies when requested to do so by the staff for the purposes of the hearing ordered herein.

(B) Pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by the Federal Power Act, particularly sections 4(e), 23(b), 307, and 308 thereof, and the Commission's rules of practice and procedure, an investigation is directed hereby and public hearing shall be held on January 21, 1969, at 10 a.m., e.s.t. in a hearing room of the Federal Power Commission, 441 G Street NW., Washington, D.C., respecting the question of whether the Farmington River Power Co.'s Project No. 2577 would be subject to the licensing provisions of the Federal Power Act.

Notices of intervention or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C. 20426 in accordance with the Commission's rules of practice and procedure (18 CFR 1.8 and 1.37) on or before December 10, 1968.

By the Commission.

[SEAL] GORDON M. GRANT,
Secretary.

[F.R. Doc. 68–13590; Filed, Nov. 12, 1968; 8:45 a.m.]

[Docket No. E–7456]

EL PASO ELECTRIC CO.

Notice of Application

NOVEMBER 4, 1968.

Take notice that on October 28, 1968, El Paso Electric Co. (Applicant), filed an application with the Federal Power Commission, pursuant to section 204 of the Federal Power Act, seeking an order authorizing the issuance of $16 million short-term promissory notes to commercial banks and commercial paper dealers.

Applicant is incorporated under the laws of the State of Texas and is qualified to carry on its business in the State of New Mexico with its principal place of business office at El Paso, Tex. The applicant is engaged in the electric utility business and supplies electric energy at retail in 19 communities in Texas and 22 communities in New Mexico.

According to the application the securities to be issued to commercial banks consist of notes, each with a maturity not to exceed 12 months and notes to be issued to commercial paper dealers with the maturities not to exceed 9 months from the date of issuance. The total amount of notes outstanding at any one time will not exceed $16 million and the notes will have a maturity date of not later than December 31, 1971. The notes to be issued to commercial banks will bear interest at a rate per annum not in excess of one-fourth of 1 percent of the prime rate in effect in New York City at the time of borrowing. The interest rate on the notes to be issued to commercial paper dealers will be dependent upon the term of the notes and the money market conditions at the time of the notes.

Applicant states that the proceeds from the notes will be used, pending permanent financing together with other cash operations, to reimburse the Company for its construction program contemplated and now in progress. According to the Applicant its construction program now in progress and contemplated through 1971 will require approximately $44,337,300. The principal items in this program include approximately $18,726,000 for generating equipment; $8,617,000 for transmission line substations and $3,535,000 for distribution of substations.

Any person desiring to be heard or to make any protest with reference to said application should on or before November 25, 1968, file with the Federal Power Commission, Washington, D.C. 20426, petitions or protest in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR

1.8 or 1.10). The application is on file and available for public inspection.

GORDON M. GRANT,
Secretary.

[F.R. Doc. 68-13591; Filed, Nov. 12, 1968; 8:45 a.m.]

[Docket No. CP69-125]

LARIAT GAS FARMERS' CO-OPERATIVE SOCIETY, AND EL PASO NATURAL GAS CO.

Notice of Application

NOVEMBER 5, 1968.

Take notice that on October 28, 1968, Lariat Gas Farmers' Co-Operative Society (Applicant) Parmer County, Tex., filed in Docket No. CP69-125 an application pursuant to section 7(a) of the Natural Gas Act for an order directing El Paso Natural Gas Co. (Respondent) to establish physical connection of its natural gas transmission facilities with the facilities of Applicant as proposed herein, and to sell natural gas to Applicant for resale to the membership of Applicant in Parmer County, Tex., all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Specifically, Applicant seeks to install a meter and other appurtenant equipment at each of 20 taps on the main line of Respondent near the Parmer-Bailey County line to supply gas to the individual farmer-members of Applicant. Applicant also proposes to make other taps on Respondent's line as necessary.

Applicant states that the proposed connection will reduce the cost of irrigation gas to its members by about one-third.

Applicant estimates annual operating requirements at 1,052,700 Mcf and peak month requirements at 194,749 Mcf.

Estimated initial cost of the proposed construction is $16,000, with the cost of the individual meters to be borne by the users.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C. 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) and the regulations under the Natural Gas Act (157.10) on or before December 2, 1968.

GORDON M. GRANT,
Secretary.

[F.R. Doc. 68-13592; Filed, Nov. 12, 1968; 8:45 a.m.]

[Docket No. CP69-127]

NORTH BAILEY GAS FARMERS' CO-OPERATIVE SOCIETY OF MULESHOE, TEX. AND EL PASO NATURAL GAS CO.

Notice of Application

NOVEMBER 5, 1968.

Take notice that on October 28, 1968, North Bailey Gas Farmers' Co-Operative Society of Muleshoe, Tex. (Applicant), filed in Docket No. CP69-127 an application pursuant to section 7(a) of the Natural Gas Act for an order directing El Paso Natural Gas Co. (Respondent) to establish physical connection of its natural gas transmission facilities with the facilities of Applicant as proposed herein, and to sell natural gas to Applicant for resale to its members in Bailey and Parmer Counties, Tex., all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Specifically, Applicant seeks to install a meter and other appurtenant equipment at each of 21 taps on the main line of Respondent in Bailey and Parmer Counties to supply gas to 95 irrigation wells owned by its members. Applicant also seeks authority to make other taps on Respondent's line as necessary.

Applicant states that the proposed connection will reduce the cost of irrigation gas to its members by about one-third.

Applicant estimates annual operating requirements at 352,800 Mcf and peak month requirements at 65,268 Mcf.

The initial cost to be incurred by Applicant will be nominal. Cost of meter construction will be borne by the members.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C. 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) and the regulations under the Natural Gas Act (157.10) on or before December 2, 1968.

GORDON M. GRANT,
Secretary.

[F.R. Doc. 68-13593; Filed, Nov. 12, 1968; 8:45 a.m.]

[Docket No. E-7455]

NORTHERN STATES POWER CO.

Notice of Application

NOVEMBER 4, 1968.

Take notice that on October 28, 1968, Northern States Power Co (Applicant) filed an application seeking an order pursuant to section 204 of the Federal Power Act authorizing the issuance of 200,000 shares of its new series cumulative preferred stock, par value $100 per share and 1,080,811 additional shares of its common stock par value $5 per share.

Applicant is incorporated under the laws of the State of Minnesota with its principal business office at Minneapolis, Minn., and is engaged in the electric utility business in central and southern Minnesota.

The preferred stock is to be issued on or about January 16, 1969, and the dividend rate thereof will be determined by competitive bidding pursuant to the Commission's regulations. None of the shares of the preferred stock will be redeemable prior to January 1, 1974, from the proceeds of issuance of any debt having effective interest costs or any preferred stock for a dividend cost less than the effective cost of the new preferred stock.

The common stock is to be issued during January and February 1969. Applicant proposes to issue and sell the additional common stock by (a) offering said shares to the holders of its common stock on the basis of one share for each 15 shares of common stock held of record on a date and at a price per share to be determined by the Applicant (b) offering, at the subscription price to the full-time regular employees of Northern States and its subsidiaries such of the additional common stock as shall not be subscribed for by the holders subscription warrants and (c) selling at the subscription price, at competitive bidding, such of the above shares of common stock as are not subscribed by the holders of the subscription warrants or by the full-time regular employees.

The proceeds from the sale of the New Preferred Stock and the additional common stock will be used to prepay in part the short-term borrowings of the Applicant which were incurred to pay in part the expenditures made and to be made in 1968 and 1969 in connection with Applicant's construction program. The estimated expenditures for the construction program of 1968 and 1969 total approximately $243,800,000. The principal items in this program include an expenditure of $221,980,000 for electric facilities; $9,920,000 for gas facilities; and $10,550,000 for general construction work.

Any person desiring to be heard or to make any protest with reference to said application should, on or before November 22, 1968, file with the Federal Power Commission, Washington, D.C. 20426, petitions or protest in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10). The application is on file and available for public inspection.

GORDON M. GRANT,
Secretary.

[F.R. Doc. 68-13594; Filed, Nov. 12, 1968; 8:45 a.m.]

[Docket No. CP69-128]

STAR GAS FARMERS' CO-OPERATIVE SOCIETY AND NORTHERN NATURAL GAS CO.

Notice of Application

NOVEMBER 5, 1968.

Take notice that on October 28, 1968, Star Gas Farmers' Co-Operative Society (Applicant), Hale County, Tex., filed in Docket No. CP69-128 an application pursuant to section 7(a) of the Natural Gas Act for an order directing Northern Natural Gas Co. (Respondent) to establish physical connection of its natural gas transmission facilities with the facilities of Applicant as proposed herein, and to sell natural gas to Applicant for resale to its members in Hale and Floyd Counties, Tex., all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Specifically, Applicant seeks to tap Respondent's main line and install a meter and other appurtenant equipment on each tap as necessary to supply gas to

682 irrigation wells owned by its members.

Applicant states that the proposed connection will reduce the cost of irrigation gas to its members by one-third.

Applicant estimates annual operating requirements at 2,370,050 Mcf and peak month requirements at 438,459 Mcf.

Total estimated cost of installing the master meter will be $1,000. The cost of installing individual meters will be borne by the consumers.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C. 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before December 2, 1968.

GORDON M. GRANT,
Secretary.

[F.R. Doc. 68-13595; Filed, Nov. 12, 1968; 8:45 a.m.]

[Docket No. RP69-13]

TEXAS EASTERN TRANSMISSION CORP.

Notice of Proposed Changes in Rates and Charges

NOVEMBER 5, 1968.

Take notice that on October 30, 1968, Texas Eastern Transmission Corp. (Texas Eastern) tendered for filing proposed changes in its FPC Tariff, Second Revised Volume No. 1 and Original Volume No. 2, to become effective on December 15, 1968. The proposed rate changes would increase charges for jurisdictional sales and services by about $32,753,000 based on sales and transportation deliveries for the 12-month period ending June 30, 1968, as adjusted.

Texas Eastern states that the principal reasons for the proposed rate increases are: (1) Increased costs of labor, supplies, expenses, and construction; (2) increased cost of gas, purchased to fulfill additional customer requirements and as replacement for gas consumed, and increases in prices for present gas supplies; (3) increased cost of capital and revenue requirements to provide for a return equal to 7.25 percent; and (4) increased Federal and State income taxes, including the Federal income tax surcharge, and increased ad valorem and other taxes.

Copies of the filing are being served on customers and interested State regulatory agencies.

Protests, petitions to intervene, or notices of intervention may be filed with the Federal Power Commmission, Washington, D.C. 20426, pursuant to the Commission's rules of practice and procedure on or before November 25, 1968.

GORDON M. GRANT,
Secretary.

[F.R. Doc. 68-13596; Filed, Nov. 12, 1968; 8:45 a.m.]

DEPARTMENT OF STATE

Agency for International Development

[Amdt. 1 to Delegation of Authority 29]

EQUAL EMPLOYMENT OPPORTUNITY

Designation of Contracts Compliance Officer and Employment Policy Officer

Delegation of Authority No. 29, dated August 16, 1963 (28 F.R. 9431) is amended hereby, as follows:

1. Delete the first two paragraphs and substitute therefor, the following:

"In accordance with the provisions of Executive Order 11246 and implementing regulations of the Secretary of Labor, I hereby designate the Special Assistant to the Administrator for Equal Employment as the Contract Compliance Officer and Employment Policy Officer for the Agency for International Development. The Special Assistant to the Administrator for Equal Employment is responsible under my general direction for carrying out the Agency's responsibilities under Executive Order 11246, as amended, or amplified from time to time, and implementing regulations of the Secretary of Labor (41 CFR Part 60-1).

In carrying out the duties prescribed by Executive Order 11246 and the implementing regulations of the Secretary of Labor, the Special Assistant may designate or authorize the designation of such Deputy Contract Compliance Officers and Deputy Employment Policy Officers as the Special Assistant may determine to be necessary. Current designations as Deputy Contract Compliance Officers and Deputy Employment Policy Officers shall continue in effect until revoked."

2. This amendment to Delegation of Authority No. 29 is effective immediately.

RUTHERFORD M. POATS,
Acting Administrator.

OCTOBER 28, 1968.

[F.R. Doc. 68-13625; Filed, Nov. 12, 1968; 8:46 a.m.]

Office of the Secretary

[Public Notice 299]

FIELD ORGANIZATION

List

Pursuant to the requirements of the Administrative Procedure Act (5 U.S.C. 552(a)) there follows a list of the field organization (foreign) of the Department of State as of September 30, 1968.

EMBASSIES

Afghanistan, Kabul.
Algeria, Algiers (U.S. Interests Section, Swiss Embassy).
Argentina, Buenos Aires.
Australia, Canberra.
Austria, Vienna.
Barbados, Bridgetown.
Belgium, Brussels.
Bolivia, La Paz.
Botswana, Gaberones.

EMBASSIES—Continued

Brazil, Rio de Janeiro.
Bulgaria, Sofia.
Burma, Rangoon.
Burundi, Bujumbura.
Cameroon, Yaounde.
Canada, Ottawa.
Central African Republic, Bangui.
Ceylon, Colombo.
Chad, Fort-Lamy.
Chile, Santiago.
China, Taipei (Taiwan).
Colombia, Bogota.
Congo, Kinshasa.
Costa Rica, San Jose.
Cyprus, Nicosia.
Czechoslovakia, Prague.
Dahomey, Cotonou.
Denmark, Copenhagen.
Dominican Republic, Santo Domingo.
Ecuador, Quito.
El Salvador, San Salvador.
Ethopia, Addis Ababa.
Finland, Helsinki.
France, Paris.
Gabon, Libreville.
Gambia, Bathurst.
Germany, Bonn.
Ghana, Accra.
Greece, Athens.
Guatemala, Guatemala City.
Guinea, Conakry.
Guyana, Georgetown.
Haiti, Port-au-Prince.
Honduras, Tegucigalpa.
Hungary, Budapest.
Iceland, Reykjavik.
India, New Delhi.
Indonesia, Djakarta.
Iran, Tehran.
Ireland, Dublin.
Israel, Tel Aviv.
Italy, Rome.
Ivory Coast, Abidjan.
Jamaica, Kingston.
Japan, Tokyo.
Jordan, Amman.
Kenya, Nairobi.
Korea, Seoul.
Kuwait, Kuwait.
Laos, Vientiane.
Lebanon, Beirut.
Lesotho, Maseru.
Liberia, Monrovia.
Libya, Tripoli.
Luxembourg, Luxembourg.
Malagasy Republic, Tananarive.
Malawi, Zomba.
Malaysia, Kuala Lumpur.
Mali, Bamako.
Malta, Valletta.
Mauritius, Port Louis.
Mexico, Mexico, D.F.
Morocco, Rabat.
Nepal, Kathmandu.
Netherlands, The Hague.
New Zealand, Wellington.
Nicaragua, Managua.
Niger, Niamey.
Nigeria, Lagos.
Norway, Oslo.
Pakistan, Rawalpindi.
Panama, Panama.
Paraguay, Asuncion.
Peru, Lima.
Philippines, Manila.
Poland, Warsaw.
Portugal, Lisbon.
Romania, Bucharest.
Rwanda, Kigali.
Saudi Arabia, Jidda.
Senegal, Dakar.
Sierra Leone, Freetown.
Singapore, Singapore.
Somalia, Mogadiscio.
South Africa, Pretoria.
Southern Yemen, Aden.
Spain, Madrid.

EMBASSIES—Continued

Sudan, Khartoum (U.S. Interests Section, Netherlands Embassy).
Swaziland, Mbabane.
Sweden, Stockholm.
Switzerland, Bern.
Tanzania, Dar es Salaam.
Thailand, Bangkok.
Togo, Lome.
Trinidad and Tobago, Port-of-Spain.
Tunisia, Tunis.
Turkey, Ankara.
Uganda, Kampala.
Union of Soviet Socialist Republics, Moscow.
United Arab Republic, Cairo (U.S. Interests Section, Spanish Embassy).
United Kingdom, London.
Upper Volta, Ouagadougou.
Uruguay, Montevideo.
Venezuela, Caracas.
Viet-Nam, Saigon.
Yugoslavia, Belgrade.
Zambia, Lusaka.

U.S. MISSIONS TO INTERNATIONAL ORGANIZATIONS

Austria, Vienna—U.S. Mission to the International Atomic Energy Agency (IAEA).
Belgium, Brussels—U.S. Mission to the European Communities (USEC); U.S. Mission to the North Atlantic Treaty Organization (USNATO).
Canada, Montreal—U.S. Mission to the International Civil Aviation Organization (ICAO).
France, Paris—Office of Permanent U.S. Representative to United Nations Educational, Scientific, and Cultural Organization (UNESCO); U.S. Mission to the Organization for Economic Cooperation and Development (USOECD).
Switzerland, Geneva—U.S. Mission to the European Office of the United Nations and other International Organizations.

SPECIAL OFFICES

Brazil: Brasilia.
Germany: Berlin, U.S. Mission.
Libya: Baida and Benghazi.
Pakistan: Karachi.

CONSULATES GENERAL

Australia:
Melbourne.
Sydney.
Belgium:
Antwerp.
Brazil:
Recife.
Sao Paulo.
Canada:
Calgary.
Halifax.
Montreal.
Quebec.
St. John's.
Toronto.
Vancouver.
Winnipeg.
Ecuador:
Guayaquil.
Ethiopia:
Asmara.
France:
Bordeaux.
Lyon.
Marseille.
Strasbourg.
Germany:
Bremen.
Dusseldorf.
Frankfurt am Main.
Hamburg.
Munich.
Stuttgart.
Greece:
Thessaloniki.
India:
Bombay.
Calcutta.
Madras.
Italy:
Genoa.
Milan.
Naples.
Palermo.
Japan:
Kobe (Kobe-Osaka).
Jerusalem:
Jerusalem.
Mexico:
Guadalajara.
Hermosillo.
Monterrey.
Tijuana.
Morocco:
Casablanca.
Tangier.
Netherlands:
Amsterdam.
Rotterdam.
(Americas):
Curacao.
Netherlands Antilles.
Paramaribo.
Surinam.

CONSULATES GENERAL—Continued

Pakistan:
Dacca.
Lahore.
Portugal:
(Africa):
Lourenco Marques.
Mozambique.
Luanda.
Angola.
Saudi Arabia:
Dhahran.
South Africa:
Cape Town.
Durban.
Johannesburg.
Spain:
Barcelona.
Seville.
Sweden:
Goteborg.
Switzerland:
Zurich.
Turkey:
Istanbul.
Izmir.
United Kingdom (Great Britain and Northern Ireland):
Belfast.
Edinburgh.
Liverpool.
(Africa):
Salisbury.
Southern Rhodesia.
(Americas):
Hamilton.
Bermuda.
Nassau.
Bahamas.
(Asia):
Victoria.
Hong Kong.
Yugoslavia:
Zagreb.

CONSULATES

Australia:
Brisbane.
Perth.
Bolivia:
Cochabamba.
Brazil:
Belem.
Porto Alegre.
Salvador.
Cameroon:
Douala.
Canada:
St. John.
Windsor.
Colombia:
Barranquilla.
Cali.
Medellin.
Congo (Kinshasa):
Lubumbashi.
Dominican Republic:
Santiago de los Caballeros.
France:
Nice.
(Americas):
Fort-de-France.
Martinique.
Honduras:
San Pedro Sula.
Indonesia:
Medan.
Surabaja.
Iran:
Isfahan.
Khorramshahr.
Meshed.
Tabriz.
Italy:
Florence.
Trieste.
Turin.
Japan:
Fukuoka.
Nagoya.
Sapporo.
Malaysia:
Kuching.
Mexico:
Ciudad Juarez.
Mazatlan.
Merida.
Mexicali.
Nuevo Laredo.
Tampico.
Veracruz.
New Zealand:
Auckland.
Nigeria:
Ibadan.
Kaduna.
Pakistan:
Peshawar.
Philippines:
Cebu.
Poland:
Poznan.
Portugal:
Oporto.
Ponta Delgada.
Sao Miguel.
Azores.
Spain:
Bilbao.
Valencia.
Tanzania:
Zanzibar.
Thailand:
Chiang Mai.
Udorn.
Turkey:
Adana.
United Kingdom:
(Central Americas)
Belize City, British Honduras.
(Oceania).
Suva.
Fiji.
Venezuela:
Maracaibo.
Puerto la Cruz.

SPECIAL PURPOSE POSTS

(No consular district; contact embassy for consular matters.)

Australia:
Adelaide.
Brazil:
Belo Horizonti.
Salvador.
Burma:
Mandalay.
Mexico:
Chihuahua.
Matamoros.
Morelia.
Nogales.
Piedras Negras
San Luis Potosi.
Panama:
David.
Somalia:
Hargeisa.

CONSULAR AGENCIES

Brazil:
Manaus.
Amazonas.
Sao Luis.
Maranhao.
Chile:
Concepcion.
Valparaiso.
Colombia:
Buenaventura.
Leticia.
Costa Rica:
Puntarenas.
Haiti:
Cap Haitien.
Israel:
Haifa.
New Zealand:
Christchurch.
Peru:
Arequipa.
Piura.
Portugal:
Funchal.
Madeira Islands.
Spain:
Las Palmas-Santa Cruz de Tenerife.
Palma de Mallorca.
Trinidad and Tobago; Scarborough.

This notice supersedes Public Notice No. 254 (32 F.R. 3712, 3713, March 3, 1967).

For the Secretary of State.

OCTOBER 30, 1968.

IDAR RIMESTAD,
Deputy Under Secretary of State for Administration.

[F.R. Doc. 68-13612; Filed, Nov. 12, 1968; 8:45 a.m.]

DEPARTMENT OF THE TREASURY

Bureau of Customs

[T.D. 68-280; Customs Delegation Order 33]

DIRECTOR, FACILITIES MANAGEMENT DIVISION, OFFICE OF ADMINISTRATION

Designation as Contracting Officer To Procure Personal Property and Nonpersonal Services (Including Construction)

NOVEMBER 6, 1968.

1. By virtue of authority vested in me by Treasury Department Order No. 165, Revised (T.D. 53654, 19 F.R. 7241) and by Treasury Department Order No. 208, dated March 31, 1966 (31 F.R. 5527), I hereby designate the Director, Facilities Management Division, Office of Administration, as contracting officer with authority to enter into and administer contracts for the construction of customs border facilities provided for in section 1 of the Act of June 26, 1930, as amended (19 U.S.C. 68); the procurement of customs scales and the construction of weight houses and appurtenances; and the procurement of personal property and nonpersonal services (including construction).

2. This delegation is subject to the requirements and limitations of Treasury Department Order No. 208, and shall be exercised in accordance with the requirements and limitations of title III of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. ch. 4) as well as the applicable Federal Procurement Regulations, 41 CFR, chapters 1 and 10.

3. Subject to the requirements and limitations of paragraph 2, the authority

herein delegated may be redelegated by the Director, Facilities Management Division, Office of Administration to other officers or employees of the Customs Service in such manner as he shall direct.

4. Any action heretofore taken by the Director, Facilities Management Division or the Assistant Director (Procurement), Facilities Management Division, Office of Administration, which involved the exercise of authority hereby granted is affirmed and ratified.

[SEAL] LESTER D. JOHNSON,
Commissioner of Customs.

[F.R. Doc. 68-13652; Filed, Nov. 12, 1968; 8:48 a.m.]

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[Sacramento 238]

CALIFORNIA

Opening of National Forest Lands

NOVEMBER 6, 1968.

In DA-1081-California the Federal Power Commission vacated the withdrawal created pursuant to the filing of an application for preliminary permit for Project 2279 so far as it affects the following described lands, among others:

MOUNT DIABLO MERIDIAN

PLUMAS NATIONAL FOREST

T. 27 N., R. 12 E.,
Sec. 23, W½NW¼NW¼SW¼SW¼.

Containing 1.25 acres in Plumas County.

By virtue of the authority contained in section 24 of the act of June 10, 1920 (41 Stat. 1075; 16 U.S.C. 818), as amended, and pursuant to the finding and order of the Federal Power Commission issued March 14, 1968 (DA-1081-Calif.), it is ordered as follows:

At 10 a.m. on December 18, 1968, the lands shall be open to such forms of disposition as may by law be made of national forest lands but not to appropriation under the U.S. mining laws. The lands are withdrawn from appropriation under the mining laws by Public Land Order 3391.

IRVING SENZEL,
Assistant Director.

[F.R. Doc. 68-13631; Filed, Nov. 12, 1968; 8:47 a.m.]

[Serial No. N-1559]

NEVADA

Notice of Classification of Public Lands for Multiple Use Management

NOVEMBER 5, 1968.

1. Pursuant to the Act of September 19, 1964 (43 U.S.C. 1411-18) and to the regulations in 43 CFR, Parts 2410 and 2411, the public lands described in paragraph 3 below are hereby classified for multiple use management.

2. Publication of this notice segregates the described lands from appropriation only under the agricultural land laws (43 U.S.C. Chs. 7 and 9; 25 U.S.C. sec. 334) and from sales under section 2455 of the Revised Statutes (43 U.S.C. 1171) and the lands shall remain open to all other applicable forms of appropriation, including the mining and mineral leasing or material sale laws, with the exception contained in paragraph 4. As used in this order, the term "public lands" means any lands (1) withdrawn or reserved by Executive Order No. 6910 of November 26, 1934, as amended, or (2) within a grazing district established pursuant to the Act of June 28, 1934 (48 Stat. 1269), as amended, which are not otherwise withdrawn or reserved for a Federal use or purpose.

3. The classified public lands are shown on Map No. N-1559 on file in the Winnemucca District Office, Bureau of Land Management, Winnemucca, Nev., and the Nevada Land Office, Bureau of Land Management, Reno, Nev.

All of the public lands are located in Pershing and Humboldt Counties and are within the area generally described as follows:

Commencing at northeastern corner of Pershing County common to Pershing County, Humboldt County, and Lander County: Thence northerly along the county boundary between Humboldt County and Lander County to the Humboldt River; thence generally along the Humboldt River westerly to about Mill City; thence northwesterly to a point on the Western Pacific Railroad about 4 miles west of Jungo; thence westerly along the railroad to a point on the Western Pacific Railroad about 10 miles west of Sulphur; thence northerly within R. 26 and 27 E. to a point on Pershing County line between T. 35 and 36 N.; thence westerly along the township line between T. 35 and 36 N. to a point on the township line between R. 23 and 24 E.; thence southerly along the township line between R. 23 and 24 E. to a point of intersection with the south boundary of Pershing County within T. 24 N.; thence easterly along the south boundary of Pershing County within T. 24 N. to its intersection with the west boundary of Lander County in T. 25 N., R. 39 E.; thence northeasterly along the County Line between Pershing and Lander County to the point of beginning.

The area described above aggregates approximately 3,112,986 acres of public land.

4. The public lands listed below are further segregated from all forms of appropriation under the public land laws, including the general mining laws, but not the recreation and Public Purposes Act (44 Stat. 741, 68 Stat. 173; 43 U.S.C. 869) or the mineral leasing and material sale laws:

MOUNT DIABLO MERIDIAN, NEVADA

T. 35 N., R. 38 E.,
Sec. 16, NE¼, NE¼SE¼, SW¼SW¼, S½NW¼, NW¼NW¼.

The area described above aggregates approximately 360 acres of public land.

5. For a period of 30 days, interested parties may submit comments to the Secretary of the Interior, LIM, 721, Washington, D.C. 20240. (43 CFR 2411.1-2(d).)

NOLAN F. KEIL,
State Director, Nevada.

[F.R. Doc. 68-13599; Filed, Nov. 12, 1968; 8:45 a.m.]

Office of the Secretary

[Order 2912]

INTERIOR'S TOURIST DEVELOPMENT PROGRAMS

Secretarial Coordination and Leadership

NOVEMBER 4, 1968.

SECTION 1 *Purpose.* The Department of the Interior is the Executive Department charged with the responsibility, under the Act of July 19, 1940 (Public Law 755, 76th Cong.), of cooperating with public and private tourist, travel, and other agencies in the display of exhibits, and in the collection, publication, and dissemination of information with respect to places of interest, routes, transportation facilities, accommodations, and such other matters as may be advisable and advantageous for the purpose of encouraging, promoting, or developing travel. This order assigns leadership and coordination responsibilities for the Department's tourist development programs to the Assistant Secretary for Fish and Wildlife, Parks, and Marine Resources, and establishes within the National Park Service an Assistant Director for Tourist Development. These actions are designed to strengthen the advancement and coordination of Interior's programs for tourist development.

SEC. 2 *Effective date.* This order is effective immediately.

STEWART L. UDALL,
Secretary.

[F.R. Doc. 68-13600; Filed, Nov. 12, 1968; 8:45 a.m.]

DEPARTMENT OF AGRICULTURE

Agricultural Research Service

[P.P.C. 639]

JAPANESE AND WHITE-FRINGED BEETLES, EUROPEAN CHAFER, AND IMPORTED FIRE ANT

List of Approved Laboratories Authorized to Receive Soil Samples Without Certification or Permit

Pursuant to the Japanese Beetle, White-fringed Beetle, European Chafer, and Imported Fire Ant Quarantines (Notices of Quarantines Nos. 48, 72, 77, and 81; 7 CFR 301.48, 301.72, 301.77, and 301.81), sections 8 and 9 of the Plant Quarantine Act of 1912, as amended, and section 106 of the Federal Plant Pest Act (7 U.S.C. 161, 162, 150ee), the list of approved laboratories (31 F.R. 14363) authorized to receive soil samples of 1 pound or less without certification or permit from areas regulated under the said notices of quarantines and supplemental regulations pertaining thereto is hereby revised to read as follows:

Laboratory, address:

ALABAMA

Agronomy Department, Soil and Water Conservation Research Division, ARS, Au-

ALABAMA—Continued

burn University, Auburn.

Auburn University Soil Testing Laboratory, Funchess Hall, Auburn University, Auburn.

Dixie Laboratories, Inc., 155 Beauregard Street, Mobile.

L. R. Johnston Co., Inspection Bureau, 2650 Government Boulevard, Mobile.

F. S. Royster Guano Co., Soil Test Laboratory, 62 Ninth Street, Post Office Box 308, Montgomery.

A. W. Williams Inspection Co., 208 Virginia Street, Mobile.

ARIZONA

Southwest Rangeland Hydrology Research Watershed, Post Office Box 3926, Tucson.

U.S. Water Conservation Laboratory, Route 2, Box 816-A, Tempe.

ARKANSAS

University of Arkansas Experiment Station Soil Testing Laboratory, Marianna.

CALIFORNIA

Fresno Field Station, 4816 East Shields Avenue, Fresno.

Quality of Water Laboratory, Water Resources Division, U.S. Geological Survey, 345 Middlefield Road, Menlo Park 94025.

Southwestern Irrigation Field Station, Post Office Box 1339, Brawley.

U.S. Salinity Laboratory, Post Office Box 672, Riverside.

COLORADO

Analytical Laboratory, Geologic Division, U.S. Geological Survey, Building 25, Federal Center, Denver 80225.

Branch of Quality of Water Laboratory, Water Resources Division, U.S. Geological Survey, Federal Center, Denver 80225.

Engineering Geology Laboratory, Geologic Division, U.S. Geological Survey, Federal Center, Denver 80225.

Exploration Research Laboratory, Geologic Division, U.S. Geological Survey, Federal Center, Denver 80225.

Hydrologic Laboratory, Water Resources Division, U.S. Geological Survey, Federal Center, Denver 80225.

Nitrogen Laboratory, Post Office Box 758, Fort Collins.

Paleontology and Stratigraphy Laboratory, Geologic Division, U.S. Geological Survey, Federal Center, Denver 80225.

Palynology Laboratory, Geologic Division, U.S. Geological Survey, Federal Center, Denver 80225.

Pesticide Laboratory, Water Resources Division, U.S. Geological Survey, Federal Center, Denver 80225.

USDA Central Great Plains Field Station, Box K, Akron.

CONNECTICUT

Chas. Pfizer & Co., Inc., Eastern Point Road, Groton 06340.

Consolidated Cigar Corp., 131 Oak Street, Glastonbury 06033.

DISTRICT OF COLUMBIA

Analytical Laboratory, Geologic Division, U.S. Geological Survey, Navy Yard Annex, Washington 20242.

Branch of Quality of Water Laboratory, Water Resources Division, U.S. Geological Survey, Room 117, Old Post Office Building, Washington 20242.

Carbon 14 Laboratory, Isotope Geology Branch, Geologic Division, U.S. Geological Survey, Washington 20242.

FLORIDA

American Agricultural Chemical Co., Soil Testing Laboratory, Pierce 33867.

Collier County Soils Laboratory, County Courthouse, Naples 33940.

Dade County Soils Laboratory, Homestead 33030.

FLORIDA—Continued

Escambia County Soils Laboratory, Room 308, County Courthouse, Pensacola 32501.

Flowers Analytical Laboratories, Post Office Box 587, Altamonte Springs 32701.

W. R. Grace & Co., Post Office Box 36, Fort Pierce 33450.

International Minerals & Chemical Corp., Post Office Box 467, Mulberry 33860.

Law Engineering Testing Co., Post Office Box 632, Cape Canaveral 32920.

Law Engineering Testing Co., Post Office Box 5738, Jacksonville 32207.

Law Engineering Testing Co., Post Office Box 5742, Orlando 32805.

Law Engineering Testing Co., 4619 West Curtis, Tampa 33614.

Dr. Ralph Miller's Laboratory, 701 South Hyer, Orlando 32800.

Robert G. Miller Laboratory, Post Office Box 3245, Fort Pierce 33450.

H. W. Myers and Associates, Post Office Box 681, Sebring 33870.

Peninsular Engineering Testing Co., 1204 Harbor City Boulevard, Eau Gallie 32935.

Plantation Field Laboratory, 3205 Southwest 70th Avenue, Fort Lauderdale 33314.

Plant Science Associates, Inc., Post Office Box 955, Lake Alfred 33850.

Polk County Fertilizer Co., Post Office Box 366, Haines City 33844.

Soil Testing Laboratory, Agricultural Extension Service, Gainesville 32601.

Southern Analytical Laboratory, Inc., 2471 Swan Street, Jacksonville 32207.

Thornton and Co., 1145 East Cass Street, Tampa 33602.

Three Gee Dee, Pembroke 33866.

Dr. Wolf's Agricultural Laboratories, 6861 Southwest 45th Street, Fort Lauderdale 33314.

GEORGIA

Agriculture Experiment Station, University of Georgia, Athens.

Agriculture Experiment Station, University of Georgia, Experiment.

Agriculture Experiment Station, University of Georgia, Tifton.

Armour Agricultural Chemical Co., 685 De Kalb Industrial Way, Decatur 30033.

Department of Agronomy Soil Testing Laboratory, University of Georgia, Athens.

International Mineral & Chemical Corp., East Point.

Jay Evans Testing Laboratory, Albany.

Law Engineering Testing Co., Atlanta.

Soil and Water Conservation Research Division, Southern Piedmont Conservation Research Center, Post Office Box 33, Watkinsville.

Soil Conservation Service, U.S. Department of Agriculture, Athens.

Southern Nitrogen Co., Post Office Box 246, Savannah.

State Highway Soil Testing Laboratory, 305 Sixth Street NW., Atlanta.

Tennessee Corp., Agricultural Operational Division, 1330 West Peachtree Street, Atlanta.

IDAHO

Northwest Hydrology Research Watershed, 306 North Fifth Street, Post Office Box 2724, Boise.

Snake River Conservation Research Center, Route 1, Box 186, Kimberly.

ILLINOIS

Consolidated Laboratories, Congerville.

International Minerals & Chemical Corp., Erie.

International Minerals & Chemical Corp., Libertyville.

International Minerals & Chemical Corp., Old Orchard Road, Skokie.

International Minerals & Chemical Corp., Union.

Kalo Inoculent Co., 525 Kentucky, Quincy 62301.

Nuag Soil Testing Laboratory, Rochelle.

Olson Management Service, 68 Monterey

ILLINOIS—Continued

Street, Freeport.

Soil and Water Conservation Research Division Laboratory, ARS, S-212 Turner Hall, University of Illinois, Urbana.

INDIANA

Jeffersonville Chemical Service Laboratory, Jeffersonville.

Soil and Water Conservation Research Division Laboratory, ARS, Agricultural Engineering Department, Purdue University, Lafayette.

IOWA

W. R. Grace Laboratory, Atlantic.

Soil and Water Conservation Research Division Laboratory, Agricultural Research Service, Agronomy Building, Iowa State University, Ames.

KANSAS

Soil and Water Conservation Research Division Laboratory, ARS, Agronomy Department, Waters Hall, Kansas State University, Manhattan.

KENTUCKY

Farm Bureau, Henderson 42420.

W. R. Grace & Co., Industrial Drive, Hopkinsville 42240.

W. R. Grace Co., Post Office Box 86, Hickory 42051.

Soil Testing Laboratory, College of Agriculture, University of Kentucky, Lexington.

LOUISIANA

Barrow-Agee Laboratories, Inc., 2514 Bell Street, Shreveport.

Bureau of Public Roads, 3444 Convention Street, Baton Rouge.

Engineers Testing Laboratories, 10601 Airline Highway, Baton Rouge.

Louisiana Polytechnic Institute, Ruston.

Pittsburgh Testing Laboratories, Post Office Box 3128, Baton Rouge.

Shilstone Testing Laboratories, 1068 Neosho Street, Baton Rouge.

Soil and Water Conservation Research Division Laboratory, ARS Post Office Drawer U, University Station, Baton Rouge.

MAINE

Soil and Water Conservation Research Division Laboratory, ARS, The Maples, University of Maine, Orono 04473.

MARYLAND

American Agricultural Chemical Co., 2272 South Clinton Street, Baltimore 21224.

Pesticides Investigations, Crops Research Division, Crop Protection Research Branch, Plant Industry Station, Building 050, Beltsville 20705.

U.S. Hydrograph Laboratory, Soil and Water Conservation Research Division, ARS, Plant Industry Station, Beltsville 20705.

MICHIGAN

American Agricultural Chemical Co., 204 South Forman Street, Detroit.

Dow Chemical Co., Midland.

Prescription Farming, Inc., Eau Claire.

Soil Science Department, Michigan State University, East Lansing 48823.

Upjohn Pharmaceutical Co., 7171 Portage Road, Kalamazoo.

MINNESOTA

Archer-Daniels-Midland Co., Minneapolis.

Minnesota Soil Testing Laboratory, 35 Soil Science Building, St. Paul Campus, University of Minnesota, St. Paul 55101.

North Central Soil Conservation Research Center, Morris.

MISSISSIPPI

Soil and Water Conservation Research Division Laboratory, ARS, Agricultural Experiment Station, Post Office Box 502, State College.

Soil Laboratory, Department of Chemistry, Agricultural Experiment Station, Mississippi

MISSISSIPPI—Continued

State University, Post Office Box 642, State College 39762.

Soil Testing Laboratory, Cooperative Extension Service, Mississippi State University, Post Office Box 1535, State College 39762.

State Highway Department, Jackson.

USDA Sedimentation Laboratory, Box 30, Oxford.

MISSOURI

Fruco & Associates, Inc., 1706 Olive Street, St. Louis 63103.

Nachurs Plant Food Firm Soil Processing Laboratory, Poplar Bluff.

St. Louis Testing Laboratories, Inc., 2810 Clark Avenue, St. Louis 63101.

MONTANA

Northern Plains Soil and Water Research Center, Post Office Box 1109, Sidney.

NEBRASKA

Harris Laboratories, Inc., Lexington.

Soil and Water Conservation Research Division Laboratory, ARS, Agronomy Department, University of Nebraska, Lincoln.

USDA Soil Conservation Service, Soil Survey Laboratory, 1325 N Street, Lincoln.

USDA Soil Mechanic Laboratory, AER, ARS, 800 J Street, Lincoln.

NEW JERSEY

American Cyanamid Co., Quakerbridge Road, Clarksville 08638.

Campbell Soup Co., Branch Pike, Riverton 08077.

Geology Department, Princeton University, Guyot Hall, Princeton 08540.

Hoffmann-LaRoche, Inc., 340 Kingland Avenue, Nutley 07110.

Institute for Exploratory Research, U.S. Army Electronics Command, Attention: AM SEL–XL–S, Fort Monmouth 07703.

Johnson Soil Engineering Laboratory, 225 Grantwood Avenue, Palisades Park 07650.

Charles Pfizer Co., Maywood Avenue, Maywood 07607.

Seabrook Farms, Seabrook 08302.

Shell Chemical Co., Post Office Box 813, Princeton 08540.

Soils Department, Rutgers University, New Brunswick 08903.

U.S. Testing Co., 14–15 Park Avenue, Hoboken 07030.

Joseph S. Ward, Inc., Consulting Engineer, 91 Roseland Avenue, Caldwell 07006.

NEW YORK

Agronomy Department, Cornell University, Ithaca 14850.

Department of Soil Engineering, School of Civil Engineering, Cornell University, Ithaca 14850.

Floricultural Department, Cornell University, Ithaca 14850.

U.S. Plant, Soil and Nutrition Laboratory, Tower Road, Ithaca 14850.

NORTH CAROLINA

Chembac Laboratories, Western Boulevard, Charlotte.

Froehling and Robertson, Inc., 2860 North Graham Street, Charlotte.

Froehling and Robertson, Inc., Inspection Engineers and Chemists, Fayetteville.

Froehling and Robertson, Inc., Inspection Engineers and Chemists, 2608 South Saunders Street, Raleigh.

Geology Department, Science Building, Post Office Box 6665, College Station, Duke University, Durham 27708.

Geology Department, Mitchell Hall, University of North Carolina, Chapel Hill 27514.

International Soil Testing Control Center, North Carolina State University, Raleigh.

Law Engineering Testing Co., 4560 Old Pineville Road, Charlotte.

Ezra Meir & Associates, Consulting Engineers, 709 West Johnson Street, Raleigh.

NORTH CAROLINA—Continued

North Carolina Department of Agriculture, Soil Testing Laboratory, Agriculture Building, Raleigh 27601.

North Carolina Department of Geology, Raleigh.

North Carolina Highway and Public Works Commission, Fayetteville.

North Carolina Highway and Public Works Commission, Raleigh.

Pittsburgh Soil Testing Co., 4509 West Market Street, Greensboro.

Soil and Water Conservation Research Division Laboratory, ARS, Post Office Box 5906, Raleigh.

Soil Science Department, North Carolina State University, 352 Williams Hall, Raleigh 27605.

Southeastern Testing Laboratories, West Morehead Street, Charlotte.

Southern Testing and Research Laboratories, Wilson.

USDA, SCS, Division of Soil Survey Investigation, 387–A Williams Hall, North Carolina State University, Raleigh.

OHIO

Brookside Research Laboratory, New Knoxville.

Continental Oil Co., Washington Court House 43160.

Federal Chemical Co., 1210 Bonham Avenue, Columbus 43211.

Growers Chemical Corp., Milan 44846.

H. J. Heinz Co., 540 North Enterprise Street, Bowling Green.

International Mineral & Chemical Corp., Route No. 6, Xenia 45385.

North Appalachian Experimental Watershed, Soil and Water Conservation Research Division, ARS, Coshocton.

H. C. Nutting Co., 4120 Airport Road, Cincinnati 45200.

Ohio Extension Service Soil Testing Laboratory, College of Agriculture, Ohio State University, Columbus.

Ohio Florists Association, 1827 Neil Avenue, Columbus 43210.

Na-Churs Plant Food Co., Leader Street, Marion 43302.

F. S. Royster Guano Co., Post Office Box 6508, Toledo 43612.

O. M. Scott & Sons Seed Co., Marysville.

Techlab, Inc., 2912 Vernon Place, Cincinnati 45200.

Tri-State Laboratory, 351 West Bancroft, Toledo 43620.

Vistron Corp., Fort Amanda Road, Post Office Box 628, Lima 45802.

Woodville Lime Products, Post Office Box 218, Woodville 43469.

OKLAHOMA

Southern Great Plains Hydrology Research Watershed, Post Office Box 400, Chickasha.

PENNSYLVANIA

Michael Baker, Inc., Rochester 15074.

Robert B. Peters Co., 2833 Pennsylvania Street, Allentown 18103.

PUERTO RICO

Soil and Water Conservation Research Division Laboratory, ARS, Agricultural Experiment Station, University of Puerto Rico, Rio Piedras.

SOUTH CAROLINA

Clemson Soil Testing Laboratory, Clemson University, Clemson.

Coastal Plains Soil and Water Research Center, Post Office Box 271, Florence.

TENNESSEE

Armour Agricultural Chemical Co., 61st Avenue North, Nashville 37209.

Federal Chemical Co., 4800 Centennial Boulevard, Nashville 37209.

U.S. Testing Co., Inc., Cotton Exchange Building, Memphis 38103.

TEXAS

Agricultural Department, Stephen F. Austin College, Nacogdoches.

Agricultural Service Laboratories, 1206 South Aster, Pharr.

Agronomy Department, Texas A & M University, College Station.

Blackland Conservation Experiment Station, Post Office Box 748, Temple.

Citrus, Vegetable, Soil, and Water Laboratory, Post Office Box 267, Weslaco.

Geochemical Surveys, 3806 Cedar Springs Road, Post Office Box 6508, Dallas 75219.

Horvitz Research Laboratories, 8116 Westglen, Houston 77042.

McClelland Engineers, Inc., 6100 Hillcroft, Houston.

Pattison's Laboratories, Inc., 211 East Monroe, Harlingen.

Plains Laboratory, 707 Avenue H, Lubbock.

Shilstone Testing Laboratory, 1205 North Tanguaha Street, Corpus Christi.

Shilstone Testing Laboratory, 1714 West Capitol Avenue, Houston.

Soil Testing Laboratory, Wharton County Junior College, Lower Colorado River Authority, Wharton.

Texas Instruments, Inc., Science Service Division, Post Office Box 5621, Dallas 75222.

Trinity Testing Laboratories, Inc., Corpus Christi.

Tuloma Gas Products Co. Laboratory, Holland 76534.

USDA Southwestern Great Plains Research Center, Bushland.

UTAH

Soil and Water Conservation Research Division Laboratory, ARS, Agricultural Science Building 63, Agronomy Department, Utah State University, Logan.

VIRGINIA

Commercial Testing and Engineering Co., 1831 Lindsay Avenue, Norfolk 23504.

Froehling & Robertson, Inc., 1111 Boissevain, Norfolk 23181.

Froehling & Robertson, Inc., 814 West Cary Street, Richmond 23220.

W. R. Grace & Co., Davison Chemical Division, Box 277, South Hill 23970.

Greenlife Products Co., Inc., West Point 23181.

Hazelton Laboratories, Inc., 9200 Leesburg Highway, Post Office Box 30, Falls Church 22046.

McCallum Inspection Co., 1808 Hayward Avenue, Norfolk 23519.

F. S. Royster Guano Co., Room 1004, Royster Building, Norfolk 23510.

Smith-Douglass, Box 419, 5100 Virginia Beach Boulevard, Norfolk 23501.

Swift & Co., Agrichem Division, Box 7537, Norfolk 23515.

V-C Chemical Co., North of Atlee Road, between U.S. 95 and U.S. 1, Post Office Box 1136, Richmond 23209.

V-C Chemical Co., Atlee, Va., Post Office Box 631, Ashland 23005.

Virginia Polytechnic Institute, Soil Testing Laboratory, Blacksburg 24601.

Virginia Truck Experiment Station, Post Office Box 2160, Norfolk 23601.

Virginia Truck Experiment Station, Eastern Shore Branch, Painter 23420.

Woodard Research Corp., Post Office Box 405, 12310 Pinecrest Road, Herndon 22070.

WASHINGTON

Irrigation Experiment Station, Prosser.

Soil and Water Conservation Research Division Laboratory, ARS, 215 Johnson Hall, Washington State University, Pullman.

WEST VIRGINIA

Commercial Testing and Engineering Co., Piedmont and Broad Streets, Charleston 25301.

WISCONSIN

Wisconsin Soil Testing Laboratory, Soils Building, College of Agriculture, University of Wisconsin, Madison 53706.

(Sec. 9, 37 Stat. 318, sec. 106, 71 Stat. 33; 7 U.S.C. 162, 150ee. Interprets or applies sec. 8, 37 Stat. 318, as amended; 7 U.S.C. 161; 7 CFR 301.48, 301.72, 301.77, 301.81; 29 F.R. 16210, as amended)

This notice shall become effective upon publication in the FEDERAL REGISTER when it shall supersede P.P.C. 639, effective May 22, 1968.

Supplemental regulations to the Japanese Beetle, White-fringed Beetle, European Chafer, and Imported Fire Ant Quarantines exempt from the certification and permit requirements of such quarantines soil samples that do not weigh more than 1 pound; meet certain origin, destination, and packaging requirements; and are consigned to laboratories which are approved by the Director of the Plant Pest Control Division and operate under compliance agreements. This revision of the notice of laboratories approved by said Director corrects the names and addresses of some previously listed laboratories; deletes previously listed laboratories, and adds additional laboratories to the list.

The Director of the Plant Pest Control Division has determined that the laboratories listed above qualify for approval under said supplemental regulations. Therefore, such laboratories are authorized to receive, without certification or permit, from the respective regulated areas, soil samples that meet the requirements of said supplemental regulations as to weight, origin, destination, and packaging.

With respect to the establishments added to the list of approved laboratories, this revision relieves certain restrictions presently imposed and should be made effective promptly in order to be of maximum benefit to persons subject to the restrictions that are being relieved. The deletion of laboratories from such list imposes certain restrictions that are necessary to prevent the spread of Japanese beetles, white-fringed beetles, European chafers, and imported fire ants and should be made effective promptly to prevent the interstate spread of such dangerous insects. The corrections of the names and addresses of previously listed establishments are nonsubstantive in nature, and notice and other public procedure with respect thereto would serve no useful purpose. Accordingly, it is found upon good cause under the administrative procedure provisions of 5 U.S.C. 553, that notice and other public procedure with respect to this revision are impracticable and contrary to the public interest, and good cause is found for making the revision effective less than 30 days after publication in the FEDERAL REGISTER.

Done at Hyattsville, Md., this 7th day of November 1968.

[SEAL] J. W. GENTRY,
Acting Director,
Plant Pest Control Division.

[F.R. Doc. 68-13615; Filed, Nov. 12, 1968; 8:46 a.m.]

DEPARTMENT OF COMMERCE

Business and Defense Services Administration

UNIVERSITY OF MASSACHUSETTS ET AL.

Notice of Applications for Duty-Free Entry of Scientific Articles

The following are notices of the receipt of applications for duty-free entry of scientific articles pursuant to section 6(c) of the Educational, Scientific, and Cultural Materials Importation Act of 1966 (Public Law 89-651; 80 Stat. 897). Interested persons may present their views with respect to the question of whether an instrument or apparatus of equivalent scientific value for the purposes for which the article is intended to be used in being manufactured in the United States. Such comments must be filed in triplicate with the Director, Scientific Instrument Evaluation Division, Business and Defense Services Administration, Washington, D.C. 20230, within 20 calendar days after date on which this notice of application is published in the FEDERAL REGISTER.

Regulations issued under cited Act, published in the February 4, 1967, issue of the FEDERAL REGISTER, prescribe the requirements applicable to comments.

A copy of each application is on file, and may be examined during ordinary Commerce Department business hours at the Scientific Instrument Evaluation Division, Department of Commerce, Washington, D.C.

A copy of each comment filed with the Director of the Scientific Instrument Evaluation Division must also be mailed or delivered to the applicant, or its authorized agent, if any, to whose application the comment pertains; and the comment filed with the Director must certify that such copy has been mailed or delivered to the applicant.

Docket No. 69-00215-33-46040. Applicant: University of Massachusetts/Boston, 100 Arlington Street, Boston, Mass. 02116. Article: Electron microscope, Model EM 300. Manufacturer: Philips Electronics N. V. D., The Netherlands. Intended use of article: The article will be used for a variety of faculty research projects with both plant and animal material, as well as for students who need to learn how to use the electron microscope for biological research. The immediate projects for which the instrument will be used are:

1. Study of microtubules and cytoplasmic fibrils in lymphocytes.
2. Study of nuclear characteristics in polymorphonuclear leukocytes.
3. Student-devised research projects not yet defined.

Application received by Commissioner of Customs: October 8, 1968.

Docket No. 69-00216-33-46040. Applicant: National Institutes of Health, 9000 Rockville Pike, Bethesda, Md. 20014. Article: Electron microscope, Model Elmiskop 101. Manufacturer: Siemens AG, West Germany. Intended use of article: The article will be used for research in connection with structural studies of cells, for localization of enzymes and other molecules within the cell, for tracer studies with radioactive molecules, for study of isolated membranes, and for examination of purified proteins.

Application received by Commissioner of Customs: October 8, 1968.

Docket No. 69-00217-33-46040. Applicant: National Institutes of Health, 9000 Rockville Pike, Bethesda, Md. 20014. Article: Electron microscope, Model Elmiskop 101. Manufacturer: Siemens AG, West Germany. Intended use of article: The article will be used for research in the following areas:

1. Analysis of the fine structure of the protein synthetic apparatus of the cell. The ribosome has been studied in all of its natural and artificially produced manifestations, from its subunits to large polyribosomal aggregates. In the course of study a new cytoplasmic structure has been discovered and characterized.
2. Study of the fine structure of lymphocytes and macrophages. The fine structure of normal lymphocytes and macrophages is being characterized as a baseline for studies on the uptake and processing of antigen in a macrophage-lymphocyte system.

Application received by Commissioner of Customs: October 8, 1968.

Docket No. 69-00218-33-46040. Applicant: University of Virginia, School of Medicine, Charlottesville, Va. 22903. Article: Electron microscope, Model EM 300 and Accessories. Manufacturer: N.V. Philips Gloeilampenfabrieken, The Netherlands. Intended use of article: The article will be used initially for the study of:

(a) Fine structural differences between cancer cells and their normal counterparts, both growing and nongrowing.
(b) Fine structural abnormalities that occur in rat hepatocytes during the chemical induction of liver tumors.

The objectives of these investigations are, first, to provide additional information on the differences, at the structural level, between normal cells and cancer cells. The second major objective is to establish the stage in the carcinogenic process when those cell deviations arise that appear to be of basic significance in the maintenance of the neoplastic condition. Application received by Commissioner of Customs: October 9, 1968.

Docket No. 69-00069-33-46040. Applicant: Letterman General Hospital, Building 1060, San Francisco, Calif. 94129. Article: Electron microscope, Model HS-8. Manufacturer: Hitachi, Ltd., Japan. Intended use of article: The article will be used for study of surgical and autopsy material, animal tissues from experimental studies, and bacteriology and virology specimens. This program will involve the study of a variety of tissues in which the morphology of membranes and subcellular organelles will be related to disease processes or tumor characteristics. Many of these structures will be photographed for publication or presentation. The instrument will also have a secondary purpose in

training residents in pathology. Application received by Commissioner of Customs: July 29, 1968.

CHARLEY M. DENTON,
Assistant Administrator for Industry Operations.

[F.R. Doc. 68-13622; Filed, Nov. 12, 1968; 8:46 a.m.]

UNIVERSITY OF VIRGINIA ET AL.

Notice of Applications for Duty-Free Entry of Scientific Articles

The following are notices of the receipt of applications for duty-free entry of scientific articles pursuant to section 6(c) of the Educational, Scientific, and Cultural Materials Importation Act of 1966 (Public Law 89-651; 80 Stat. 897). Interested persons may present their views with respect to the question of whether an instrument or apparatus of equivalent scientific value for the purposes for which the article is intended to be used is being manufactured in the United States. Such comments must be filed in triplicate with the Director, Scientific Instrument Evaluation Division, Business and Defense Services Administration, Washington, D.C. 20230, within 20 calendar days after date on which this notice of application is published in the FEDERAL REGISTER.

Regulations issued under cited Act, published in the February 4, 1967, issue of the FEDERAL REGISTER, prescribe the requirements applicable to comments.

A copy of each application is on file, and may be examined during ordinary Commerce Department business hours at the Scientific Instrument Evaluation Division, Department of Commerce, Washington, D.C.

A copy of each comment filed with the Director of the Scientific Instrument Evaluation Division must also be mailed or delivered to the applicant, or its authorized agent, if any, to whose application the comment pertains; and the comment filed with the Director must certify that such copy has been mailed or delivered to the applicant.

Docket No. 69-00219-01-77030. Applicant: University of Virginia, Charlottesville, Va. 22903. Article: Nuclear magnetic resonance spectrometer, Model R-20. Manufacturer: Hitachi Perkin-Elmer, Japan. Intended use of article: The article will be used for teaching undergraduate and graduate students, as well as for research. Some of the studies for which the instrument will be used include: structure identification of natural products, proof of structure of new compounds, conformational analysis, determination of equilibrium constants of charge-transfer complexes, interaction of proteins with small molecules and studies in silicon, phosphorus, boron and fluorine chemistry. Application received by Commissioner of Customs: October 9, 1968.

Docket No. 69-00223-01-77040. Applicant: The Catholic University of America, Seventh and Michigan Avenue NE., Washington, D.C. 20017. Article: Mass spectrometer, Model Varian MAT CH-5. Manufacturer: Varian MAT Beschreibung, West Germany. Intended use of article: The article will be used for photoionization and field ionization studies concerning compounds. These studies will be extended to amines and alcohols under field ionization conditions. Also to be investigated are some ion-molecule reactions. Other studies will include hydrolysis of products of organometallics, synthesis and properties of organoboron, and organoaluminum compounds. Application received by Commissioner of Customs: October 11, 1968.

Docket No. 69-00220-63-46040. Applicant: U.S. Department of Agriculture, ARS, Southern Administrative Division, Post Office Box 53326, 701 Loyola Avenue, Room T-11003, New Orleans, La. 70150. Article: Electron microscope, Model EM 300 and accessories. Manufacturer: Philips Electronic Instruments, The Netherlands. Intended use of article: The article will be used in the study of chemical modification of cotton fibers; and in investigations of intracellular cytological changes in oilseeds during processing of cottonseed and peanuts. The specific cotton problem involves the effect of certain swelling agents on the elementary cellulose fibrils which constitute the structural units of the cotton fiber cell wall. In samples obtained by mechanical agitation, fragment thickness in either cotton or oilseed kernels is uncontrollable. For this reason, variable accelerating voltages are necessary to permit adequate examination of both the thick and thin specimens in the sample. Application received by Commissioner of Customs: October 9, 1968.

Docket No. 69-00222-33-46040. Applicant: University of California, Irvine, California College of Medicine, Irvine, Calif. 92664. Article: Electron microscope, Model EM 300 and anticontamination device. Manufacturer: Philips Electronic Instruments, The Netherlands. Intended use of article: The article will be used for research programs centered around the regeneration capabilities of animal tissues subjected to trauma. Included in this broad category will be both artificially created trauma and lesions resulting from disease entities. Principal investigators using the electron microscope will be personnel of the Departments of Anatomy and Pathology, as well as other faculty and graduate students. Application received by Commissioner of Customs: October 9, 1968.

Docket No. 69-00224-33-46040. Applicant: National Institutes of Health, 9000 Rockville Pike, Bethesda, Md. 20014. Article: Electron microscope, Model Elmiskop 101, spare parts and accessory. Manufacturer: Siemens AG, West Germany. Intended use of article: The article will be used for studies centered around mutant strains of simian virus-40 and polyoma virus. Temperature sensitive and host range mutants have been isolated and a large number of additional mutants will be obtained. The primary sequence of nucleic acid in wild and mutant strains of virus-40 and polyoma virus is being investigated. The biological properties of these viruses will also be investigated with the aim of correlating specific changes in the nucleic acid with phenotypic changes. One of the major approaches in characterizing the mutant viruses will be electron microscopic examination of cells that have been infected at the restrictive temperature or during an infectious cycle with a restrictive host. Application received by Commissioner of Customs: October 11, 1968.

Docket No. 69-00226-33-46500. Applicant: University of California, San Francisco Medical Center, Parnassus and Arguello, San Francisco, Calif. 94122. Article: Ultramicrotome, Model LKB 8800A and accessories. Manufacturer: LKB Produkter AB, Sweden. Intended use of article: The article will be used in a number of studies concerning the structure and function of skin. This tissue is routinely fixed and embedded in plastic and sections are cut from the hardened block for use in microscopy. Experience has shown that skin is one of the most difficult tissues to deal with in this way and most microtomes have proved relatively unsatisfactory for the purpose. Application received by Commissioner of Customs: October 11, 1968.

CHARLEY M. DENTON,
Assistant Administrator for Industry Operations.

[F.R. Doc. 68-13623; Filed, Nov. 12, 1968; 8:46 a.m.]

Bureau of International Commerce

[Case 385]

PETRUS J. ROMBOUTS AND ROMBOUTS ELECTRICS

Order Denying Export Privileges

On June 21, 1966 the Director, Investigations Division, issued a charging letter against Petrus J. Rombouts, owner of Rombout Electrics, 64 Oostzeedijk, Rotterdam, The Netherlands, charging violations of the Export Regulations in that respondent made false statements to an official of a U.S. Government agency in the course of an investigation conducted under authority of the Export Control Act. The charging letter was duly served and respondent filed an answer dated July 15, 1966, but he did not request a hearing.

The false statements are alleged to have been made on September 28, 1965, and October 15, 1965, in the course of an investigation as to respondent's handling and disposition of a shipment of testing and measuring equipment exported by Tektronix, Inc., to respondent on June 11, 1965, and which he represented was for end-use in Indonesia.

In connection with other transactions in which respondent participated a temporary denial order was issued against him and Rombouts Electrics N.V., on September 26, 1967, 32 F.R. 13827. Said order was for 90 days and was not extended.

The Compliance Commissioner held informal hearings on the June 21, 1966, charging letter at which evidence was presented on behalf of the Investigations Division for the purpose of supporting

the charges. The Compliance Commissioner found that the evidence of record was not sufficient to support the charges with respect to two of the alleged false statements. He found that the evidence did support the allegations with respect to certain other of the alleged false statements. He made the following findings of fact which, on consideration of the entire record, I adopt as my own.

FINDINGS OF FACT

1. The respondent Petrus J. Rombouts, at the time here material, did business under the name of Rombouts Electrics with a place of business in Rotterdam, The Netherlands. He was engaged as a trader and importer of radio sets and electrical appliances. Subsequent to the transactions hereinafter mentioned, the respondent changed his operations from that of individual ownership to a corporation called Rombouts Electrics N.V., also of Rotterdam.

2. Following negotiation with a U.S. supplier of strategic electronic equipment, the respondent in February 1965 ordered from said supplier about $31,000 worth of such equipment and represented that the equipment was ultimately destined for a firm in Djakarta, Indonesia.

3. On June 1, 1965, the U.S. supplier, pursuant to such order, exported to respondent in The Netherlands, as intermediate consignee, equipment valued at $13,265. The goods arrived in Amsterdam on June 16, 1965, and were handled by an Amsterdam freight forwarding firm designated by respondent.

4. On or about June 19, 1965, respondent instructed the Amsterdam freight forwarding firm to reexport the equipment to a named freight forwarder in Vienna, Austria, with notify party as Schifter & Co., Vienna. The Amsterdam freight forwarder complied with respondent's instructions. Schifter & Co. and Herbert E. Schifter of said firm were subject to an order denying U.S. export privileges which had been issued on May 11, 1964 (29 F.R. 6697).

5. In the course of an investigation under authority of Export Control Act concerning respondent's participation in the above transaction respondent stated to a representative of the U.S. Government on September 28, 1965, that he had no knowledge of the firm Schifter & Co. or of the named freight forwarder in Vienna. These statements were false, inasmuch as respondent previously had had business dealings with Schifter & Co. and had specifically designated that the equipment in question be shipped to the named Vienna freight forwarder with notify party as Schifter & Co.

6. The respondent, in the course of said investigation, also stated to said representative of the U.S. Government that neither he nor his firm had issued instructions to the Amsterdam forwarding firm to reexport the equipment in question from The Netherlands to Vienna. This statement was false inasmuch as respondent had given such instructions to his Amsterdam freight forwarder.

Based on the foregoing, I have concluded that respondent violated section 381.5 of the U.S. Export Regulations in that he made false statements to a representative of the U.S. Government in the course of an investigation instituted under authority of the U.S. Export Control Act of 1949.

With regard to the false statements made by respondent the Compliance Commissioner said:

> Obviously, the discovery of false statements with regard to an export transaction that is already completed cannot prevent an unauthorized reexportation or diversion of those particular goods. However, the making of false statements can and does impede investigations to ascertain whether there have been violations of the Export Law and regulations and if so who the culpable parties are. The giving of false information in the course of an investigation may also affect the overall enforcement activities of the Office of Export Control. In this regard it is important to ascertain if parties are procuring or attempting to procure through unlawful means U.S.-origin commodities, and if so who the parties are, what commodities are involved and their intended ultimate destination. So, when it is found that a violation has been committed in the making of false statements, even with regard to a completed transaction, a meaningful sanction should be imposed.

As to the sanction that should be imposed the Compliance Commissioner made the following recommendation:

> In the light of respondent's dealings in the U.S.-origin commodities, I believe an appropriate sanction would be to deny him export privileges for 5 years but give him the privilege of applying after 18 months for conditional restoration of privileges while he remains on probation. This will give the respondent an opportunity after 18 months to show that his handling of U.S. exports has been in compliance with the Export Regulations, if such be the case. In recommending this sanction, I have taken into consideration the fact that respondent was under a temporary denial order for 90 days in 1967.

Now, after considering the record in the case and the report and recommendation of the Compliance Commissioner and being of the opinion that his recommendation as to the sanction that should be imposed is fair and just and calculated to achieve effective enforcement of the law: *It is hereby ordered,*

I. All outstanding validated export licenses in which respondent appears or participates in any manner or capacity are hereby revoked and shall be returned forthwith to the Bureau of International Commerce for cancellation.

II. Except as qualified in paragraph IV hereof, the respondent for the period of 5 years is hereby denied all privileges of participating, directly or indirectly, in any manner or capacity, in any transaction involving commodities or technical data exported from the United States in whole or in part, or to be exported, or which are otherwise subject to the Export Regulations. Without limitation of the generality of the foregoing, participation prohibited in any such transaction, either in the United States or abroad, shall include participation: (a) as a party or as a representative of a party to any validated export license application; (b) in the preparation or filing of any export license application or reexportation authorization, or document to be submitted therewith; (c) in the obtaining or using of any validated or general export license or other export control documents; (d) in the carrying on of negotiations with respect to, or in the receiving, ordering, buying, selling, delivering, storing, using, or disposing of any commodities or technical data; (e) in the financing, forwarding, transporting, or other servicing of such commodities or technical data.

III. Such denial of export privileges shall extend not only to the respondent, but also to his representatives, agents, and employees, and also to any person, firm, corporation, or other business organization with which he now or hereafter may be related by affiliation, ownership, control, position of responsibility, or other connection in the conduct of trade or services connected therewith, including Rombouts Electrics N.V., Rotterdam, The Netherlands.

IV. Eighteen months after the effective date of this order the respondent may apply to have the effective denial of his export privileges held in abeyance while he remains on probation. Such application as may be filed by said respondent shall be supported by evidence showing his compliance with the terms of this order and such disclosure of his import and export transactions as may be necessary to determine his compliance with this order. Similar evidence shall also be presented with regard to related parties who are subject to this order. Such application will be considered on its merits and in the light of conditions and policies existing at that time. The respondent's export privileges may be restored under such terms and conditions as appear to be appropriate.

V. During the time when the respondent or other person within the scope of this order is prohibited from engaging in any activity within the scope of Part II hereof, no person, firm, corporation, partnership, or other business organization, whether in the United States or elsewhere, without prior disclosure to and specific authorization from the Bureau of International Commerce, shall do any of the following acts, directly or indirectly, in any manner or capacity, on behalf of or in any association with the respondent or other person denied export privileges within the scope of this order, or whereby any such respondent or such other person may obtain any benefit therefrom or have any interest or participation therein, directly or indirectly: (a) Apply for, obtain, transfer, or use any license, Shipper's Export Declaration, bill of lading, or other export control document relating to any exportation, reexportation, transshipment, or diversion of any commodity or technical data exported or to be exported from the United States, by, to, or for any such respondent or other person denied export privileges within the scope of this order; or (b) order, buy, receive, use, sell, deliver, store, dispose of, forward, transport, finance, or otherwise service or participate in any exportation, reexportation,

transshipment, or diversion of any commodity or technical data exported or to be exported from the United States.

This order shall become effective on November 12, 1968.

Dated: November 6, 1968.

RAUER H. MEYER,
Director, Office of Export Control.

[F.R. Doc. 68-13644; Filed, Nov. 12, 1968; 8:47 a.m.]

[Case 386]

MOENS & CO. AND MARCEL MOENS

Order Denying Export Privileges

In the matter of Moens & Co. and Marcel Moens, 141 Turnhoutsebaan Schilde, Antwerp, Belgium, respondents.

By charging letter dated July 8, 1968, the Director, Investigations Division, Office of Export Control, Department of Commerce, charged the above respondents with violations of the Export Regulations. The respondents failed to answer the charging letter which was duly served on them and they were held in default. An informal default hearing was held before the Compliance Commissioner on October 24, 1968, at which evidence was submitted for the purpose of sustaining the charges.

The charging letter alleges violations with respect to a shipment of U.S.-origin agricultural equipment, valued in excess of $90,000, which respondents ordered from a Canadian supplier and which was exported to them from Canada to Belgium on September 17, 1964. It is alleged in substance that respondents made false and misleading statements and representations for the purpose of effecting an unauthorized reexportation of U.S.-origin commodities, and that respondents attempted to or did in fact divert U.S.-origin commodities to an unauthorized destination.

A temporary denial order was issued against respondents on October 12, 1964 (29 F.R. 14371) and this was extended on December 2, 1964 (29 F.R. 16872) until the completion of administrative compliance proceedings.

The Compliance Commissioner has considered the evidence in the case and has reported the findings of fact and findings that violations have occurred and he has recommended that the sanction hereinafter set forth be imposed.

After considering the evidence in the case and the recommendation of the Compliance Commissioner, I hereby make the following:

FINDINGS OF FACT

1. The respondent Moens & Co. is a Belgian company that deals in agricultural equipment and has a place of business in Schilde, Antwerp, Belgium. The respondent Marcel Moens is the individual primarily responsible for the operations of the company, and he personally participated on behalf of the company in the transactions hereinafter described.

2. Some time prior to July 15, 1964, the respondents ordered from a Canadian supplier U.S.-origin agricultural equipment valued in excess of $90,000. The respondents knew that the equipment was of U.S. origin. The equipment was exported from the United States to Canada.

3. On September 17, 1964, the Canadian supplier reexported the equipment in question to the respondents in Antwerp, Belgium.

4. Prior to exportation of the equipment from Canada respondents represented to the Canadian supplier and indirectly to the Canadian Government and thereafter to an official of the U.S. Government that the equipment would be sold and used in Beligum and in countries bordering on Belgium.

5. The representations of respondents as to the ultimate destination of the equipment were false in that respondents at all times intended to reexport the equipment from Belgium to a Communist dominated country without first obtaining authorization from the U.S. Government.

6. The respondents were informed by an official of the U.S. Government that reexportation of the equipment to a Communist country, or attempting thereof, would be in violation of the U.S. Export Regulations.

7. After the equipment arrived in Antwerp, there was some delay in respondents obtaining possession of same, but when they did obtain possession, they reexported or caused its reexportation from Belgium to Le Havre, France, and thence to a Communist country, without first obtaining authorization from the U.S. Government.

Based on the foregoing I have concluded that respondents violated §§ 381.5 and 381.6 of the Export Regulations in the following manner: Made false and misleading statements and representations indirectly to the Office of Export Control for the purpose of effecting an export from the United States, and without authorization from the Office of Export Control reexported and caused the reexportation of U.S.-origin commodities from Belgium to an unauthorized destination.

The Compliance Commissioner has recommended that the respondents be denied export privileges for the duration of export controls.

Now after considering the record in the case and the recommendation of the Compliance Commissioner, and being of the opinion that his recommendation as to the sanction that should be imposed is fair and just and calculated to achieve effective enforcement of the law: *It is hereby ordered,*

I. This order supersedes the order temporarily denying export privileges that was entered against the respondents on October 12, 1964 (29 F.R. 14371), and was extended until the completion of compliance proceedings on December 2, 1964 (29 F.R. 16872), but all of the prohibitions and restrictions in said order are continued in full force and effect.

II. So long as export controls are in effect the respondents are hereby denied all privileges of participating, directly or indirectly, in any manner or capacity, in any transaction involving commodities or technical data exported from the United States, in whole or in part, or to be exported, or which are otherwise subject to the Export Regulations. Without limitation of the generality of the foregoing, participation prohibited in any such transaction either in the United States or abroad, shall include participation: (a) As a party or as a representative of a party to any validated export license application; (b) in the preparation or filing of any export license application or reexportation authorization, or document to be submitted therewith; (c) in the obtaining or using of any validated or general export license or other export control documents; (d) in the carrying on of negotiations with respect to, or in the receiving, ordering, buying, selling, delivering, storing, using, or disposing of any commodities or technical data; (e) in the financing, forwarding, transporting, or other servicing of such commodities or technical data.

III. Such denial of export privileges shall extent not only to the respondents but also to their agents employess, representatives, and partners, and to any person, firm, corporation, or other business organization with which they now or hereafter may be related by affiliation, ownership, control, position of responsibility, or other connection in the conduct of trade or services connected therewith.

IV. No person, firm, corporation, partnership, or other business organization, whether in the United States or elsewhere, without prior disclosure to and specific authorization from the Bureau of International Commerce, shall do any of the following acts, directly or indirectly, in any manner or capacity, on behalf of or in any association with the respondents or other person denied export privileges within the scope of this order, or whereby such respondents or such other person may obtain any benefit therefrom or have any interest or participation therein, directly or indirectly: (a) Apply for, obtain, transfer, or use any license, Shipper's Export Declaration, bill of lading, or other export control document relating to any exportation, reexportation, transshipment, or diversion of any commodity or technical data exported or to be exported from the United States, by, to, or for any such respondent or other person denied export privileges within the scope of this order; or (b) order, buy, receive, use, sell, deliver, store, dispose of, forward, transport, finance, or otherwise service or participate in any exportation, reexportation, transshipment, or diversion of any commodity or technical data exported or to be exported from the United States.

Dated: November 6, 1968.

RAUER H. MEYER,
Director, Office of Export Control.

[F.R. Doc. 68-13645; Filed, Nov. 12, 1968; 8:47 a.m.]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Food and Drug Administration

PETROLITE CORP., BARECO DIVISION

Notice of Filing of Petition for Food Additives

Pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (sec. 409(b)(5), 72 Stat. 1786; 21 U.S.C. 348 (b)(5)), notice is given that a petition (FAP 9A2347) has been filed by Petrolite Corp., Bareco Division, 6910 East 14th Street, Tulsa, Okla. 74115, proposing the issuance of a regulation to provide for the safe use of a synthetic wax as a protective coating or component of protective coatings for fresh grapefruit, lemons, limes, muskmelons, oranges, sweet potatoes, and tangerines. The synthetic wax is composed of synthetic paraffin and succinate, isopropyl succinate, polyethylene glycol succinate, and polypropylene glycol succinate derivatives of the synthetic paraffin.

Dated: October 29, 1968.

J. K. KIRK,
Associate Commissioner for Compliance.

[F.R. Doc. 68-13642; Filed, Nov. 12, 1968; 8:47 a.m.]

WYANDOTTE CHEMICALS CORP.

Notice of Filing of Petition for Food Additives

Pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (sec. 409(b)(5), 72 Stat. 1786; 21 U.S.C. 348(b)(5)), notice is given that a petition (FAP 9B2354) has been filed by Wyandotte Chemicals Corp., Wyandotte, Mich. 48192, proposing that § 121.2522 *Polyurethane resins* (21 CFR 121.2522) be amended to provide for the safe use of $\alpha,\alpha',\alpha'',\alpha'''$ - neopentanetetrayltetrakis - [*omega*-hydroxypoly(oxypropylene) (1–2 moles)], average molecular weight 400, as a reactant in the preparation of polyurethane resins for use in contact with dry bulk food.

Dated: November 5, 1968.

J. K. KIRK,
Associate Commissioner for Compliance.

[F.R. Doc. 68-13643; Filed, Nov. 12, 1968; 8:47 a.m.]

Public Health Service

AIR POLLUTION PREVENTION AND CONTROL

Definition of Atmospheric Areas

On January 16, 1968, the Secretary of the Department of Health, Education, and Welfare, pursuant to section 107(a)(1) of the Clean Air Act (42 U.S.C. 1857c–2(a)(1)), published a notice in the FEDERAL REGISTER (33 F.R. 548) defining the Atmospheric Areas of the United States. Definition of Atmospheric Areas outside of the contiguous United States was deferred.

Pursuant to the above authority delegated by the Secretary and redelegated to the Commissioner of the National Air Pollution Control Administration (33 F.R. 9909), notice is hereby given of the definition of Atmospheric Areas for those parts of the Nation outside of the contiguous United States and not included in the initial notice; i.e., Alaska, Hawaii, Guam, American Samoa, Puerto Rico, and the Virgin Islands.

A brief description of each new Atmospheric Area is given in the attached table, including the geographical extent of each area and the major characteristics of the climatological conditions affecting the potential buildup of air pollution. Five new Atmospheric Areas are established, and one of those previously defined is extended to include additional areas. The attached map illustrates the general location of the boundary zones separating the four Atmospheric Areas defined for the State of Alaska.

The definition of these Atmospheric Areas is based on available information on inversion frequency and seasonal and long-term (annual) mean data on wind speed, temperature, and precipitation. Adjacent Atmospheric Areas are consequently differentiated on the basis of long-term averages, meaning that at any given time conditions in adjacent Areas could be similar. The boundaries herein defined should, therefore, be viewed as zonal in nature rather than finite.

The existence of Atmospheric Areas, as defined herein, does not in any way limit the designation of Air Quality Control Regions pursuant to section 107(a)(2) of the Clean Air Act, as amended.

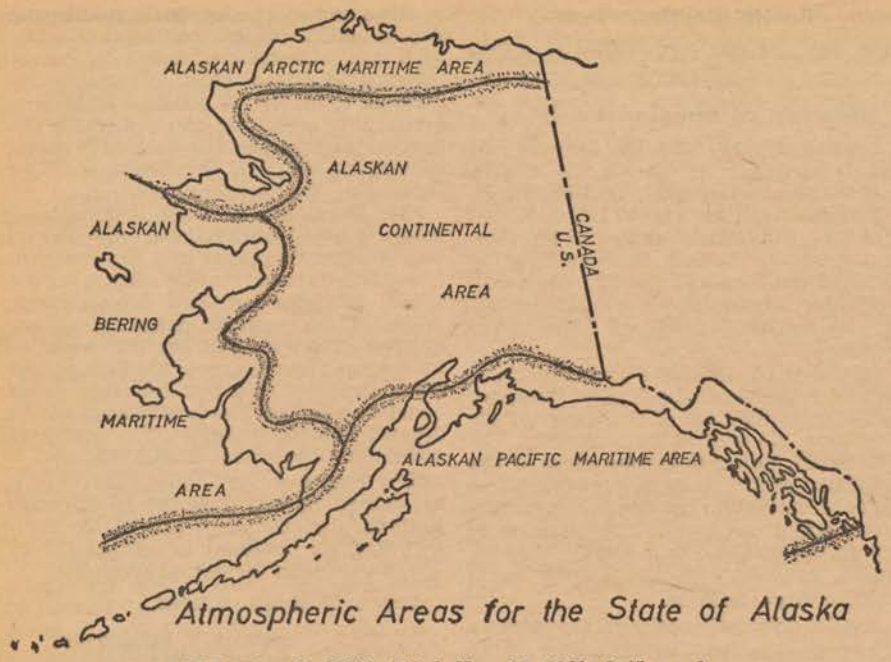
Dated: November 4, 1968.

JOHN T. MIDDLETON,
Commissioner, National Air Pollution Control Administration.

DESCRIPTION OF ATMOSPHERIC AREAS

Atmospheric area	Extent of area	Characteristic air pollution climatology
Hawaiian-Pacific Area.	Includes all of the islands making up the State of Hawaii, and the territories of Guam and American Samoa.	Relatively good ventilation; occasional surface-based nocturnal inversions in inland areas; persistent periods of stagnation are rare.
Alaskan Pacific Maritime Area.	Bounded by the United States-Canada border to the southeast, the Chugach Mountain Range to the north, and the Aleutian Range to the northwest. As such this area includes the Alexander Archipelago, the coastal regions of the Gulf of Alaska, Kodiak Island, the Alaskan Peninsula, and the Aleutian Islands.	Under the influence of Pacific Maritime weather patterns; relatively good ventilation associated with frequent storms; occasional strong nocturnal inversions may persist throughout the daytime during the winter season; persistence of such conditions is not marked, however, because of the frequency of storminess.
Alaskan Bering Maritime Area.	Bounded by the southwestern and western slopes of mountain ranges and the ridge line of the Seward Peninsula. As such, the area includes the coastal plateaus and valleys of the southwest and western mainland, the southern half of the Seward Peninsula, and offshore islands.	Under the influence of Bering Maritime weather conditions. Air pollution climatology varies from that of the Pacific Maritime area because of less frequent storm activity and the resultant potential of greater persistence of surface-based inversions. In spite of differences, persistent stagnations are not frequent.
Alaskan Arctic Maritime Area.	Bounded by the western slopes of mountains from the Seward Peninsula northward to the Brooks Mountain Range then eastward to United States-Canadian border. As such, this area includes the northern half of the Seward Peninsula, the coastal regions to the north, and the tundra region between the Brooks Range and the Arctic Ocean.	Under the influence of two, seasonally-oriented weather conditions: continental during the winter months when the ocean is frozen; maritime during the warmer months when the ocean is partially free of ice. Relatively high wind speeds provide good ventilation; the lack of solar radiation in the winter and cold maritime winds during summer days result in the highest annual frequency of daytime surface-based inversions of any of the areas discussed here.
Alaskan Continental Area.	Bounded by the inland portion of the Alaska-Canadian border to the east and the previously described Atmospheric Area boundaries to the north, south, and west.	Under the influence of continental weather conditions; sheltered from maritime influence by medium-to-high mountain ranges on all sides; has the highest annual frequency of night-time, surface-based inversions of any of the adjacent areas; low wind speed during the winter, combined with extremely persistent gound-level inversions, gives this area the most restrictive pollution climatology of any Atmospheric Area.
Southern Florida-Caribbean Area.[1]	Includes the previously-defined South Florida Atmospheric Area and Puerto Rico and the Virgin Islands in the Caribbean Sea.	Same as that previously defined for the South Florida area: tropical-maritime climate; low-level inversions are infrequent; persistent stagnation is essentially nonexistent.

[1] The Atmospheric Area previously defined as the "South Florida Atmospheric Area" is hereby redefined as the "Southern Florida-Caribbean Atmospheric Area."



Atmospheric Areas for the State of Alaska

[F.R. Doc. 68-13546; Filed, Nov. 12, 1968; 8:45 a.m.]

CIVIL AERONAUTICS BOARD

[Docket No. 20383; Order 68-11-24]

BOISE AVIATION, INC.

Order To Show Cause Regarding Establishment of Service Mail Rate

Issued under delegated authority November 5, 1968.

The Postmaster General filed a notice of intent October 17, 1968, pursuant to 14 CFR Part 298, petitioning the Board to establish for the above captioned air taxi operator, a final service mail rate of 40.6 cents per great circle aircraft mile for the transportation of mail by aircraft between Boise, Idaho, and Portland, Oreg., via Pendleton, Oreg.

No protest or objection was filed against the proposed services during the time for filing such objections. The Postmaster General states that the Department and the carrier agree that the above rate is a fair and reasonable rate of compensation for the proposed services. The Postmaster General believes these services will meet postal needs in the market. He states the air taxi plans to initiate mail service with twin-engine Aero Commander, Model 680-E or F, aircraft equipped for all-weather operation.

It is in the public interest to fix, determine, and establish the fair and reasonable rate of compensation to be paid by the Postmaster General for the proposed transportation of mail by aircraft, the facilities used and useful therefor, and the services connected therewith, between the aforesaid points. Upon consideration of the notice of intent and other matters officially noticed, it is proposed to issue an order[1] to include the following findings and conclusions:

The fair and reasonable final service mail rate to be paid to Boise Aviation, Inc., in its entirety by the Postmaster General pursuant to section 406 of the Act for the transportation of mail by aircraft, the facilities used and useful therefor, and the services connected therewith, shall be 40.6 cents per great circle aircraft mile between Boise, Idaho, and Portland, Oreg., via Pendleton, Oreg.

Accordingly, pursuant to the Federal Aviation Act of 1958, and particularly sections 204(a) and 406 thereof, and regulations promulgated in 14 CFR Part 302, 14 CFR Part 298, and 14 CFR 385.14(f):

It is ordered, That:

1. Boise Aviation, Inc., the Postmaster General, Air West, Inc., United Air Lines, Inc., and all other interested persons are directed to show cause why the Board should not adopt the foregoing proposed findings and conclusions and fix, determine, and publish the final rate specified above for the transportation of mail by aircraft, the facilities used and useful therefor, and the services connected therewith as specified above as the fair and reasonable rate of compensation to be paid to Boise Aviation, Inc.;

2. Further procedures herein shall be in accordance with 14 CFR Part 302, and notice of any objection to the rate or to the other findings and conclusions proposed herein, shall be filed within 10 days, and if notice is filed, written answer and supporting documents shall be filed within 30 days after service of this order;

3. If notice of objection is not filed within 10 days after service of this order, or if notice is filed and answer is not filed within 30 days after service of this order, all persons shall be deemed to have waived the right to a hearing and all other procedural steps short of a final decision by the Board, and the Board may enter an order incorporating the findings and conclusions proposed herein and fix and determine the final rate specified herein;

4. If answer is filed presenting issues for hearing, the issues involved in determining the fair and reasonable final rate shall be limited to those specifically raised by the answer, except insofar as other issues are raised in accordance with Rule 307 of the rules of practice (14 CFR 302.307); and

5. This order shall be served upon Boise Aviation, Inc., the Postmaster General, Air West, Inc., and United Air Lines, Inc.

This order will be published in the FEDERAL REGISTER.

[SEAL] HAROLD R. SANDERSON,
Secretary.

[F.R. Doc. 68-13646; Filed, Nov. 12, 1968; 8:47 a.m.]

[1] As this order to show cause is not a final action but merely affords interested persons an opportunity to be heard on the matters herein proposed, it is not regarded as subject to the review provisions of Part 385 (14 CFR Part 385). These provisions for Board review will be applicable to final action taken by the staff under authority delegated in § 385.14(g).

[Docket No. 20378, etc.; Order 68-11-23]

COMBS AIRWAYS, INC.

Order To Show Cause Regarding Establishment of Service Mail Rates

Issued under delegated authority November 5, 1968.

The Postmaster General filed notice of intent October 17, 1968, pursuant to 14 CFR Part 298, petitioning the Board to establish for the above-captioned air taxi operator final service mail rates per great circle aircraft mile for the transportation of mail by aircraft as follows:

Docket	Between	Cents
20378	Havre, Mont. and Boise, Idaho, via Great Falls and Helena, Mont.	34.93
20381	Idaho Falls and Boise, Idaho, via Pocatello and Twin Falls, Idaho.	28.74
20382	Spokane, Wash., and Boise, Idaho, via Lewiston, Idaho.	28.74

No protest or objection was filed against the proposed services during the time for filing such objections. The Postmaster General states that the Department and the carrier agree that the above rates are fair and reasonable rates of compensation for the proposed services. The Postmaster General believes these services will meet postal needs in the market. He states the air taxi plans to initiate mail service with twin-engine Aero Commander, Model Turbo 500-B aircraft equipped for all-weather operation.

It is in the public interest to fix, determine, and establish the fair and reasonable rates of compensation to be paid by the Postmaster General for the proposed transportation of mail by aircraft, the facilities used and useful therefor, and the services connected therewith, between the aforesaid points. Upon consideration of the notices of intent and other matters officially noticed, it is proposed to issue an order[1] to include the following findings and conclusions:

The fair and reasonable final service mail rates per great circle aircraft mile to be paid to Combs Airways, Inc. entirely by the Postmaster General pursuant to section 406 of the Act for the transportation of mail by aircraft, the facilities used and useful therefor, and the services connected therewith, shall be as follows:

Docket	Between	Cents
20378...	Havre, Mont., and Boise, Idaho, via Great Falls and Helena, Mont.	34.03
20381...	Idaho Falls and Boise, Idaho, via Pocatello and Twin Falls, Idaho.	28.74
20382...	Spokane, Wash., and Boise, Idaho, via Lewiston, Idaho.	28.74

Accordingly, pursuant to the Federal Aviation Act of 1958, and particularly sections 204(a) and 406 thereof, and regulations promulgated in 14 CFR Part 302, 14 CFR Part 298, and 14 CFR 385.14(f),

It is ordered, That:

1. Combs Airways, Inc., the Postmaster General, Air West, Inc., Frontier Airlines, Inc., Northwest Airlines, Inc., Western Air Lines, Inc., United Air Lines, Inc., and all other interested persons are directed to show cause why the Board should not adopt the foregoing proposed findings and conclusions and fix, determine, and publish the final rates for the transportation of mail by aircraft, the facilities used and useful therefor, and the services connected therewith as specified above as the fair and reasonable rates of compensation to be paid to Combs Airways, Inc.;

2. Further procedures herein shall be in accordance with 14 CFR, Part 302, and notice of any objection to the rates or to the other findings and conclusions proposed herein, shall be filed within 10 days, and if notice is filed, written answer and supporting documents shall be filed within 30 days after service of this order;

3. If notice of objection is not filed within 10 days after service of this order, or if notice is filed and answer is not filed within 30 days after service of this order, all persons shall be deemed to have waived the right to a hearing and all other procedural steps short of a final decision by the Board, and the Board may enter an order incorporating the findings and conclusions proposed herein and fix and determine the final rates specified herein;

4. If answer is filed presenting issues for hearing, the issues involved in determining the fair and reasonable final rates shall be limited to those specifically raised by the answer, except insofar as other issues are raised in accordance with Rule 307 of the rules of practice (14 CFR 302.307); and

5. This order shall be served upon Combs Airways, Inc., the Postmaster General, Air West, Inc., Frontier Airlines, Inc., Northwest Airlines, Inc., Western Air Lines, Inc., and United Air Lines, Inc.

This order will be published in the FEDERAL REGISTER.

[SEAL] HAROLD R. SANDERSON,
Secretary.

[F.R. Doc. 68-13647; Filed, Nov. 12, 1968; 8:47 a.m.]

[1] As this order to show cause is not a final action but merely affords interested persons an oppotunity to be heard on the matters herein proposed, it is not regarded as subject to the review provisions of Part 385 (14 CFR, Part 385). These provisions for Board review will be applicable to final action taken by the staff under authority delegated in § 385.14 (g).

[Docket No. 20422]

EXECAIRE (QUEBEC) LTD.

Notice of Hearing

Application for a foreign air carrier permit, issued pursuant to section 402 of the Federal Aviation Act of 1958, as amended, to perform operations of a casual, occasional or infrequent nature, in common carriage, into the United States from Canada.

Notice is hereby given, pursuant to the provisions of the Federal Aviation Act of 1958, as amended, that hearing in the above-entitled matter is assigned to be held on November 15, 1968, at 11 a.m., e.s.t., in Room 211, Universal Building, 1825 Connecticut Avenue NW., Washington, D.C., before Examiner Joseph L. Fitzmaurice.

Dated at Washington, D.C., November 6, 1968.

[SEAL] RALPH L. WISER,
Associate Chief Examiner.

[F.R. Doc. 68-13648; Filed, Nov. 12, 1968; 8:47 a.m.]

[Docket No. 20078; Order 68-11-38]

MOHAWK AIRLINES, INC.

Order Setting Application for Hearing Regarding Amendment of Certificate of Public Convenience and Necessity

Adopted by the Civil Aeronautics Board at its office in Washington, D.C., on the 7th day of November 1968.

By order 68-9-1, September 3, 1968, the Board set for further proceedings, pursuant to Rules 1306-1310 of the Board's procedural regulations, the application of Mohawk Airlines, Inc. (Mohawk), for amendment of its certificate of public convenience and necessity for Route 94 so as to permit it to provide, without subsidy eligibility, nonstop service between Syracuse, N.Y., and Washington, D.C.

Eastern Air Lines, Inc. (Eastern), has filed an answer in opposition to the application, and Mohawk has filed a reply to that answer.

Upon consideration of the pleadings and all the relevant facts, we have determined to exercise our discretionary right in accordance with Rule 1311 of the Board's procedural regulations and direct that a hearing be held under the expedited procedures set forth in Rule 1312.

Accordingly, it is ordered, That:

1. The application of Mohawk Airlines, Inc., in Docket 20078 be and it hereby is set for hearing before an Examiner of the Board at a time and place hereafter designated; and

2. This order shall be served upon all parties served by Mohawk in its application.

This order shall be published in the FEDERAL REGISTER.

By the Civil Aeronautics Board.

[SEAL] HAROLD R. SANDERSON,
Secretary.

[F.R. Doc. 68-13649; Filed, Nov. 12, 1968; 8:47 a.m.]

[Docket No. 20410]

WON-DEL AVIATION LTD.

Notice of Hearing

Application for a foreign air carrier permit, issued pursuant to section 402 of the Federal Aviation Act of 1958, as amended, to perform operations of a casual, occasional or infrequent nature, in common carriage, into the United States from Canada.

Notice is hereby given, pursuant to the provisions of the Federal Aviation Act of 1958, as amended, that hearing in the above-entitled matter is assigned to be held on November 15, 1968, at 10 a.m., e.s.t., in Room 211, Universal Building, 1825 Connecticut Avenue NW., Washington, D.C., before Examiner Joseph L. Fitzmaurice.

Dated at Washington, D.C., November 6, 1968.

[SEAL] RALPH L. WISER,
Associate Chief Examiner.

[F.R. Doc. 68-13650; Filed, Nov. 12, 1968; 8:47 a.m.]

FEDERAL RESERVE SYSTEM

MARINE MIDLAND TRUST COMPANY OF ROCKLAND COUNTY

Order Approving Merger of Banks

In the matter of the application of Marine Midland Trust Company of Rockland County for approval of merger with Lafayette Bank and Trust Company of Suffern.

There has come before the Board of Governors, pursuant to the Bank Merger Act (12 U.S.C. 1828(c)), an application by Marine Midland Trust Company of Rockland County, Nyack, N.Y., a State

member bank of the Federal Reserve System, for the Board's prior approval of the merger into that bank of Lafayette Bank and Trust Company of Suffern, Suffern, N.Y., under the charter and title of Marine Midland Trust Company of Rockland County. As an incident to the merger, the two offices of Lafayette Bank and Trust Company of Suffern would become branches of the resulting bank. Notice of the proposed merger, in form approved by the Board, has been published pursuant to said Act.

Upon consideration of all relevant material in the light of the factors set forth in said Act, including reports furnished by the Comptroller of the Currency, the Federal Deposit Insurance Corporation, and the Attorney General on the competitive factors involved in the proposed merger,

It is hereby ordered, For the reasons set forth in the Board's statement[1] of this date, that said application be and hereby is approved, provided that said merger shall not be consummated (a) before the 30th calendar day following the date of this order or (b) later than 3 months after the date of this order unless such period is extended for good cause by the Board or by the Federal Reserve Bank of New York pursuant to delegated authority.

Dated at Washington, D.C., this 4th day of November 1968.

By order of the Board of Governors.[2]

[SEAL] ROBERT P. FORRESTAL,
Assistant Secretary.

[F.R. Doc. 68-13598; Filed, Nov. 12, 1968; 8:45 a.m.]

SECURITIES AND EXCHANGE COMMISSION

[Release No. 4932]

SECURITIES ACT OF 1933 ET AL.

Extension of Time for Comments on Whether Staff Interpretative and No-Action Letters Should Be Made Available to Public

On September 20, 1968, the Securities and Exchange Commission invited the submission of views and comments on the question whether so-called "no action" and interpretative letters of its staff should be made public (Release 33-4924, published in the FEDERAL REGISTER of Oct. 3, 1968, at 33 F.R. 14801). The due date for the submission of comments was November 1, 1968.

On request of the section of Administrative Law, American Bar Association, the period within which comments may be filed has been extended to December 15, 1968.

By the Commission, November 1, 1968.

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F.R. Doc. 68-13602; Filed, Nov. 12, 1968; 8:45 a.m.]

[811-860]

ARISAIG CORP.

Notice of Proposal to Terminate Registration

NOVEMBER 6, 1968.

Notice is hereby given that the Commission proposes, pursuant to section 8(f) of the Investment Company Act of 1940 ("Act") to declare by order upon its own motion that Arisaig Corp., 36 Mulberry Street, Newark, N.J., a New Jersey corporation, registered under the Act as a closed-end diversified management investment company, has ceased to be an investment company.

Pursuant to section 8(a) of the Act Arisaig Corp. filed its notification of registration on Form N-8A on December 29, 1958. No other filings required by sections 8(b) or 30 of the Act have ever been received by the Commission. In August 1964, Francis S. MacDonald a former officer and director of Arisaig Corp., represented that the company had less than $7,000 of assets and about 700 shares of its capital stock held by less than 100 shareholders, but that none of the shareholders other than himself made any contributions to the capital thereof. Subsequent efforts by the staff of the Commission's Division of Corporate Regulation to locate MacDonald or the other officers or directors to determine the status of the company have been unsuccessful. No registration statement regarding a proposed public offering of securities has ever been filed with the Commission under the Securities Act of 1933.

The Commission has been advised that Arisaig Corp. is no longer in existence as a corporation for the reason that its charter has been voided for nonpayment of State taxes by Proclamation of the Governor of the State of New Jersey on February 3, 1964 and has not been reinstated.

Section 8(f) of the Act provides, in pertinent part, that when the Commission, on its own motion, finds that a registered investment company has ceased to be an investment company, it shall so declare by order, that upon the taking effect of such order, the registration of such company shall cease to be in effect, and that, if necessary for the protection of investors, such order may be made upon appropriate conditions.

Notice is further given that any interested person may, not later than November 29, 1968, at 5:30 p.m., submit to the Commission in writing a request for a hearing on the matter accompanied by a statement as to the nature of his interest, the reason for such request, and the issues of fact or law proposed to be controverted, or he may request that he be notified if the Commission shall order a hearing thereon. Any such communication should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C. 20549. A copy of such request shall be served personally or by mail (airmail if the person being served is located more than 500 miles from the point of mailing) upon Arisaig Corp. at the address set forth above. Proof of such service (by affidavit or in case of an attorney at law by certificate) shall be filed contemporaneously with the request. At any time after said date, as provided by Rule 0-5 of the rules and regulations promulgated under the Act, an order disposing of the application herein may be issued by the Commission upon the basis of the information stated in said application, unless an order for hearing upon said application shall be issued upon request or upon the Commission's own motion. Persons who request a hearing or advice as to whether a hearing is ordered will receive notice of further developments in this matter, including the date of the hearing (if ordered) and any postponements thereof.

For the Commission (pursuant to delegated authority).

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F.R. Doc. 68-13603; Filed, Nov. 12, 1968; 8:45 a.m.]

[File No. 1-3909]

BSF CO.

Order Suspending Trading

NOVEMBER 5, 1968.

The capital stock (66⅔ cents par value) and the 5¾ percent convertible subordinated debentures due 1969 of BSF Co. being listed and registered on the American Stock Exchange, and such capital stock being listed and registered on the Philadelphia-Baltimore-Washington Stock Exchange pursuant to provisions of the Securities Exchange Act of 1934; and all other securities of BSF Co. being traded otherwise than on a national securities exchange; and

It appearing to the Securities and Exchange Commission that the summary suspension of trading in such securities on such exchanges and otherwise than on a national securities exchange is required in the public interest and for the protection of investors;

It is ordered, Pursuant to sections 15(c)(5) and 19(a)(4) of the Securities Exchange Act of 1934, that trading in the said capital stock on such exchanges and in the debentures on the American Stock Exchange, and trading otherwise than on a national securities exchange be summarily suspended, this order to be effective for the period November 6, 1968 through November 15, 1968, both dates inclusive.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F.R. Doc. 68-13604; Filed, Nov. 12, 1968; 8:45 a.m.]

[1] Filed as part of the original document. Copies available upon request to the Board of Governors of the Federal Reserve System, Washington, D.C. 20551, or to the Federal Reserve Bank of New York.

[2] Voting for this action: Vice Chairman Robertson and Governors Mitchell, Daane, Maisel, and Sherrill. Absent and not voting: Chairman Martin and Governor Brimmer.

[812-2392]

FINANCE COMPANY OF PENNSYLVANIA

Notice of Filing of Application for Exemption

NOVEMBER 5, 1968.

Notice is hereby given that The Finance Company of Pennsylvania ("Finance Company"), % Nathan Silberstein, Esquire, Wolf, Block, Schorr, and Solis-Cohen, Twelfth Floor, Packard Building, Philadelphia, Pa. 19102, an open-end nondiversified management investment company registered under the Investment Company Act of 1940 ("Act"), has filed an application pursuant to section 17(b) of the Act for an order exempting from the provisions of section 17(a) of the Act the proposed acquisition of Finance Company's holdings of 5,510 shares of the capital stock of Horn and Hardart Baking Co. ("H&H"), at a price of $68 per share by a group of purchasers which includes certain officers and directors of H&H. All interested persons are referred to the application on file with the Commission for a statement of the representations therein, which are summarized below:

H&H, a New Jersey corporation, is a manufacturer, processor, and distributor of food. On September 30 H&H had outstanding 100,015 shares of capital stock. Finance Company's present holdings of 5,510 shares of H&H stock constitute 5.51 percent of the outstanding capital stock of H&H. Such shares were accumulated by Finance Company between 1914 and 1956 at an approximate average cost per share of $72.20.

The names of the purchasers and the number of shares to be purchased by each are as follows:

Name	*Number of shares*
F. Bruce Baldwin, Jr.	260
Albert J. Nesbitt	750
Nelson G. Harris	1,000
Bankers Realty Corp	1,100
Benjamin Franklin Hotel Co	1,200
Northeast Corner Walnut & Juniper Streets, Inc	1,200
Total	5,510

Dr. F. Bruce Baldwin, Jr., is chairman of the board of directors and chief executive officer of H&H. Mr. Nelson G. Harris is a member of the board of directors, president, treasurer, and chief operating officer of H&H. Mr. Albert J. Nesbitt is a member of the board of directors of H&H.

Bankers Realty Corp., Benjamin Franklin Hotel Co., and Northeast Corner Walnut and Juniper Sts., Inc., are wholly owned subsidiaries of Bankers Securities Corp., of which Mr. Gustave G. Amsterdam is president, chairman of the board, and a stockholder. Mr. Amsterdam is a member of the board of directors and H&H.

The proposed sale is to be made pursuant to an informal agreement between Finance Company and the purchasers reached on or about August 28, 1968. The market price for H&H stock on the Philadelphia-Baltimore-Washington Exchange at that time was $68 per share.

Applicant represents that agreement on the price of $68 per share was reached after arms length dealing between the parties and that the purposes of Finance Company in selling the H&H shares are to dispose of an investment which no longer pays a dividend and has no immediate prospect of adopting a dividend paying policy, to receive as near to the original cost of these shares to Applicant and the market value thereof as possible, and to diversify its investments in accordance with fundamental policies.

Section 17(a) of the Act, as here pertinent, makes it unlawful for an affiliated person of an affiliated person of a registered investment company to purchase from such investment company any security or other property unless the Commission, upon application pursuant to section 17(b), grants an exemption from the provisions of section 17(a) after finding that the terms of the proposed transaction, including the consideration to be paid or received, are reasonable and fair and do not involve overreaching on the part of any person concerned and that the proposed transaction is consistent with the policy of such investment company and with the general purposes of the Act.

Section 17(a) is applicable to the proposed transaction because under section 2(a)(3) of the Act officers and directors of H&H are affiliated persons of H&H which is itself an affiliated person of Finance Company by reason of Finance Company's ownership of more than 5 percent of the outstanding voting securities of H&H.

Finance Company represents that the terms of the proposed transaction, including the consideration to be paid are reasonable and fair and do not involve overreaching on the part of any party involved and are consistent with the investment policy of Finance Company and with the general purposes of the Act.

Notice is further given that any interested person may, not later than November 25, 1968, at 5:30 p.m., submit to the Commission in writing a request for a hearing on the matter accompanied by a statement as to the nature of his interest, the reason for such request and the issues of fact or law proposed to be controverted, or he may request that he be notified if the Commission shall order a hearing thereon. Any such communication should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C. 20549. A copy of such request shall be served personally or by mail (airmail if the person being served is located more than 500 miles from the point of mailing, upon Finance Company at the address stated above. Proof of such service (by affidavit or in case of an attorney at law by certificate) shall be filed contemporaneously with the request. At any time after said date, as provided by Rule 0-5 of the rules and regulations promulgated under the Act, an order disposing of the application herein may be issued by the Commission upon the basis of the information stated in said application, unless an order for hearing upon said application shall be issued upon request or upon the Commission's own motion. Persons who request a hearing or advice as to whether a hearing is ordered will receive notice of further developments in this matter, including the date of the hearing (if ordered) and any postponements thereof.

By the Commission pursuant to delegated authority.

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F.R. Doc. 68-13605; Filed, Nov. 12, 1968; 8:45 a.m.]

MOONEY AIRCRAFT, INC.

Order Suspending Trading

NOVEMBER 6, 1968.

It appearing to the Securities and Exchange Commission that the summary suspension of trading in the common stock of Mooney Aircraft, Inc., being traded otherwise than on a national securities exchange is required in the public interest and for the protection of investors;

It is ordered, Pursuant to section 15(c)(5) of the Securities Exchange Act of 1934, that trading in such securities otherwise than on a national securities exchange be summarily suspended, this order to be effective for the period November 7, 1968, through November 16, 1968, both dates inclusive.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F.R. Doc. 68-13606; Filed, Nov. 12, 1968; 8:45 a.m.]

[File No. 1-3468]

MOUNTAIN STATES DEVELOPMENT CO.

Order Suspending Trading

NOVEMBER 5, 1968.

The common stock, 1 cent par value, of Mountain States Development Co. being listed and registered on the Salt Lake Stock Exchange pursuant to provisions of the Securities Exchange Act of 1934 and all other securities of Mountain States Development Co. being traded otherwise than on a national securities exchange; and

It appearing to the Securities and Exchange Commission that the summary suspension of trading in such securities on such exchange and otherwise than on a national securities exchange is required in the public interest and for the protection of investors;

It is ordered, Pursuant to sections 15(c)(5) and 19(a)(4) of the Securities Exchange Act of 1934, that trading in such securities on the Salt Lake Stock Exchange and otherwise than on a national securities exchange be summarily suspended, this order to be effective for the period November 6, 1968, through November 15, 1968, both dates inclusive.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F.R. Doc. 68-13607; Filed, Nov. 12, 1968; 8:45 a.m.]

[812-2403]

RIVIANA FOODS INC.

Notice of Filing of Application for Order Permitting Proposed Transaction

NOVEMBER 5, 1968.

Notice is hereby given that Riviana Foods Inc. ("Applicant"), 2727 Allen Parkway, Houston, Tex. 77019, a Delaware corporation, has filed an application under section 17(d) of the Investment Company Act of 1940 ("Act") and Rule 17d-1 thereunder. Applicant requests an order granting said application pursuant to Rule 17d-1 with respect to the proposed participation by Applicant with Lastarmco, Inc. ("Lastarmco"), a registered closed-end, nondiversified management investment company, in the sale to underwriters of shares of common stock of Applicant. All interested persons are referred to the application on file with the Commission for a statement of the representations made therein, which are summarized below.

Applicant is engaged in the production and distribution of a variety of food products. Its common stock is listed on the New York Stock Exchange. Lastarmco at September 30, 1968, owned 406.560 shares, or 18.6 percent of Applicant's outstanding common stock. Four of the nine directors of Lastarmco are members of Applicant's 14-man board of directors and two of such four directors are officers of both Applicant and Lastarmco. Applicant and Lastarmco are affiliated persons of each other within the meaning of section 2(a)(3) of the Act.

Pursuant to a registration statement filed with the Commission under the Securities Act of 1933, Lastarmco proposes to sell to underwriters 72,000 shares of Applicant's outstanding common stock and Applicant proposes to issue and sell to such underwriters 242,577 shares of newly issued common stock of Applicant. The proposed initial public offering price and net price to be received by Lastarmco as a selling stockholder and by Applicant as issuer with respect to their respective blocks of stock will be the same and will be established by negotiation between Lastarmco and Applicant on the one hand and Goldman, Sachs & Co., Walston & Co., Inc., and Rotan, Mosle-Dallas Union, Inc., the representatives of the underwriters, on the other. If Lastarmco does not come into agreement with the representatives of the underwriters at the time of the pricing of the proposed issue, its block will not be sold; Applicant cannot bind Lastarmco to accept any price.

Assuming an agreement is reached, the initial public offering price for the stock to be sold in the underwriting will be reasonably related to the last available market price at the time the price determination is made. Such price will not be higher than the last reported sale price or the last reported asked price, regular way, of the common stock of Applicant on the New York Stock Exchange immediately prior to such determination, whichever is higher. The underwriting discount, expressed as a percentage of the initial public offering price, will not exceed 6 percent. Applicant has been advised by the representatives of the underwriters that such a discount does not exceed the usual and customary underwriting discount in an underwriting of common stock of this nature.

Walston & Co., Inc., and Rotan, Mosle-Dallas Union, Inc., as representatives of the underwriters, will, in accordance with customary practice, subscribe to a substantial portion of the total number of shares subscribed by the members of the underwriting syndicate.

The proposed form of underwriting agreement provides in general, with respect to the allocation of the expenses of the underwriting between Lastarmco and Applicant, that Lastarmco will pay only its pro rata share, based upon the number of shares to be sold by it, of such expenses.

Rule 17d-1, adopted under section 17(d) of the Act, provides, inter alia, that no affiliated person of any registered investment company shall, acting as principal, participate in, or effect any transaction in connection with, any joint enterprise or other joint arrangement in which such registered company is a participant, unless an application regarding such joint enterprise or arrangement has been filed with the Commission and has been granted by order, and that in passing upon such application the Commission will consider whether the participation of the registered company in the joint enterprise or arrangement on the basis proposed is consistent with the provisions, policies and purposes of the Act and the extent to which such participation is on a basis different from or less advantageous than that of other participants.

Notice is further given that any interested person may, not later than November 18, 1968, at 5:30 p.m., submit to the Commission in writing a request for a hearing on the matter accompanied by a statement as to the nature of his interest, the reason for such request and the issues of fact or law proposed to be controverted, or he may request that he be notified if the Commission shall order a hearing thereon. Any such communication should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C. 20549. A copy of such request shall be served personally or by mail (air mail if the person being served is located more than 500 miles from the point of mailing) upon Applicant at the address set forth above. Proof of such service (by affidavit or in case of an attorney at law by certificate) shall be filed contemporaneously with the request. At any time after said date, as provided by Rule 0-5 of the rules and regulations promulgated under the Act, an order disposing of the application herein may be issued by the Commission upon the basis of the information stated in said application, unless an order for hearing upon said application shall be issued upon request or upon the Commission's own motion. Persons who request a hearing or advice as to whether a hearing is ordered will receive notice of further developments in this matter, including the date of hearing (if ordered) and any postponements thereof.

For the Commission (pursuant to delegated authority).

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F.R. Doc. 68-13608; Filed, Nov. 12, 1968; 8:45 a.m.]

TEXAS URANIUM CORP.

Order Suspending Trading

NOVEMBER 5, 1968.

It appearing to the Securities and Exchange Commission that the summary suspension of trading in the common stock of Texas Uranium Corp., Salt Lake City, Utah, being traded otherwise than on a national securities exchange is required in the public interest and for the protection of investors;

It is ordered, Pursuant to section 15(c)(5) of the Securities Exchange Act of 1934, that trading in such securities otherwise than on a national securities exchange be summarily suspended, this order to be effective for the period November 5, 1968, through November 14, 1968, both dates inclusive.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F.R. Doc. 68-13609; Filed, Nov. 12, 1968; 8:45 a.m.]

[70-4687]

WESTERN MASSACHUSETTS ELECTRIC CO.

Notice of Proposed Issue and Sale of Principal Amount of First Mortgage Bonds at Competitive Bidding

NOVEMBER 6, 1968.

Notice is hereby given that Western Massachusetts Electric Co. ("WMECO"), 174 Brush Hill Avenue, West Springfield, Mass. 01089, an electric utility subsidiary company of Northeast Utilities ("Northeast"), a registered holding company, has filed an application with this Commission, pursuant to the Public Utility Holding Company Act of 1935 ("Act") designating section 6(b) of the Act and Rule 50 promulgated thereunder as applicable to the proposed transaction. All interested persons are referred to the application, which is summarized below, for a complete statement of the proposed transaction.

WMECO proposes to issue and sell, subject to the competitive bidding requirements of Rule 50 promulgated under the Act, $15 million principal amount of First Mortgage Bonds, Series H, _____ percent, due December 1, 1998. The interest rate of the bonds (which shall be a multiple of one-eighth of 1 percent) and the price, exclusive of accrued interest, to be paid to WMECO (which shall be not less than 100 percent nor more than 102.75 percent of the principal amount thereof) will be determined by the competitive bidding. The bonds

will be issued under the First Mortgage Indenture dated as of August 1, 1954, between the company and Old Colony Trust Co., as Trustee, as heretofore supplemented and amended and as to be further supplemented by the 28th Supplemental Indenture to be dated as of December 1, 1968.

The net proceeds from the issue and sale of the bonds, together with a capital contribution from Northeast in the amount of $7 million, as previously authorized in an order dated October 1, 1968, (Holding Company Act Release No. 16175), will be used to finance WMECO's construction program, to pay nuclear fuel costs, to supply funds for WMECO's investment in regional nuclear generating companies and to pay outstanding short-term notes due banks and commercial paper notes which were issued and sold for these and other similar purposes. WMECO estimates that no additional financing will be required during 1968 except for the issuance and sale of short-term notes which are expected to be outstanding as of December 31, 1968, in the aggregate principal amount of approximately $3 million. WMECO's construction program contemplates gross expenditures for 1968 of approximately $28,500,000 and $36,500,000 in 1969.

The fees and expenses incident to the proposed transaction will be filed by amendment. The filing states that the issue and sale of the bonds are subject to the jurisdiction of the Department of Public Utilities of the Commonwealth of Massachusetts, the State commission of the State in which WMECO is organized and doing business. The approval of the Connecticut Public Utilities Commission is also required. It is further stated that no other State commission and no Federal commission, other than this Commission, has jurisdiction over the proposed transaction.

Notice is further given that any interested person may, not later than November 27, 1968, request in writing that a hearing be held on such matter, stating the nature of his interest, the reasons for such request, and the issues of fact or law raised by said application which he desires to controvert; or he may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C. 20549. A copy of such request should be served personally or by mail (airmail if the person being served is located more than 500 miles from the point of mailing) upon the applicant at the above-stated address, and proof of service (by affidavit or, in case of an attorney at law, by certificate) should be filed with the request. At any time after said date, the application, as filed or as it may be amended, may be granted as provided in Rule 23 of the general rules and regulations promulgated under the Act, or the Commission may grant exemption from such rules as provided in Rules 20(a) and 100 thereof or take such other action as it may deem appropriate. Persons who request a hearing, or advice as to whether a hearing is ordered, will receive notice of further developments in this matter, including the date of the hearing (if ordered) and any postponements thereof.

For the Commission (pursuant to delegated authority).

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F.R. Doc. 68-13610; Filed, Nov. 12, 1968; 8:45 a.m.]

SMALL BUSINESS ADMINISTRATION

TRANSAMERICA CAPITAL CORP.

Approval of Application for Transfer of Control of a Licensed Small Business Investment Company

On October 22, 1968, a notice of application for transfer of control was published in the FEDERAL REGISTER (33 F.R. 15618) stating that an application had been filed with the Small Business Administration (SBA) pursuant to § 107.701 of the Regulations Governing Small Business Investment Companies (13 CFR Part 107, 33 F.R. 326) for transfer of control of TransAmerica Capital Corp., License No. 05/05-0069, 1 South Oakwood Drive, Savannah, Ga. 31409, a Federal Licensee under the Small Business Investment Act of 1958, as amended (15 U.S.C. section 661 et seq.).

Interested persons were given until the close of business November 1, 1968, to submit to SBA their written comments. No comments were received.

SBA, having considered the application and all other pertinent information and facts with regard thereto, hereby approves the application for transfer of control of TransAmerica Capital Corp. to operate as the wholly owned subsidiary of American Plan Corp., Westbury, Long Island, N.Y.

Dated: November 1, 1968.

GLENN R. BROWN, *Associate Administrator for Investment.*

[F.R. Doc. 68-13626; Filed, Nov. 12, 1968; 8:46 a.m.]

INTERSTATE COMMERCE COMMISSION

ORGANIZATION MINUTES

Organization of Division and Boards and Assignment of Work

At a general session of the Interstate Commerce Commission, held at its office in Washington, D.C., on the 1st day of November 1968.

Section 17 of the Interstate Commerce Act, as amended (49 U.S.C. 17), and other provisions of law being under consideration with a view to implementing Public Law 90-586 adding section 323 to the act by assigning to Division 3 matters relating to recordation of trust agreements and other evidence of equipment indebtedness of water carriers.

It is ordered, That the Organization Minutes of the Interstate Commerce Commission relating to the Organization of Divisions and Boards and Assignment of work, issue of July 27, 1965 (30 F.R. 11189, 12559, and 13302; 31 F.R. 242, 4762, 9529, 12693, 13099, and 14025; 32 F.R. 431, 7105, 8000, 8784, 10127, and 14627; and 33 F.R. 3205, and 7795), be further amended as follows:

Paragraph (m) of Item 4.4 is amended to read as follows:

4.4 Division 3—Finance and Service.

* * * * *

(m) Matters arising under sections 20c and 323, providing for the recording of trust agreements and other evidences of equipment indebtedness of railroads or water carriers.

By the Commission.

[SEAL] H. NEIL GARSON, *Secretary.*

[F.R. Doc. 68-13632; Filed, Nov. 12, 1968; 8:47 a.m.]

ORGANIZATION MINUTES

Organization of Division and Boards and Assignment of Work

At a general session of the Interstate Commerce Commission, held at its office in Washington, D.C., on the 5th day of November 1968.

Section 17 of the Interstate Commerce Act, as amended (49 U.S.C. 17), and other provisions of law being under consideration with a view to having the appointment of the Legislative Liaison Officer and Legislative Counsel by the Chairman be subject to approval of the Commission.

It is ordered, That the Organization Minutes of the Interstate Commerce Commission relating to the Organization of Divisions and Boards and Assignment of work, issue of July 27, 1965 (30 F.R. 11189, 12559, and 13302; 31 F.R. 242, 4762, 9529, 12693, 13099, and 14025; 32 F.R. 431, 7105, 8000, 8784, 10127, and 14627; and 33 F.R. 3205, and 7795), be further amended as follows:

Paragraph (c) of Item 3.2 is amended to read as follows:

TERMS, DUTIES, AND RESPONSIBILITIES OF THE CHAIRMAN, VICE-CHAIRMAN, AND SENIOR COMMISSIONER PRESENT

3.2 * * *

(c)(1) * * *

(2) The appointment by the Chairman of the heads of offices, bureaus, the Congressional Liaison Officer, and the Legislative Counsel of the Commission shall be subject to the approval of the Commission.

By the Commission.

[SEAL] H. NEIL GARSON, *Secretary.*

[F.R. Doc. 68-13633; Filed, Nov. 12, 1968; 8:47 a.m.]

FOURTH SECTION APPLICATIONS FOR RELIEF

NOVEMBER 7, 1968.

Protests to the granting of an application must be prepared in accordance with Rule 1100.40 of the general rules of practice (49 CFR 1100.40) and filed within 15 days from the date of publication of this notice in the FEDERAL REGISTER.

LONG-AND-SHORT HAUL

FSA No. 41490—*Methanol from Shinrock, Ohio.* Filed by Traffic Executive Association-Eastern Railroads, agent (E.R. No. 2925), for interested rail carriers. Rates on methanol (methyl alcohol), in tank carloads, as described in the application, from Shinrock, Ohio, to Doe Run and Long Branch, Ky.

Grounds for relief—Market competition.

Tariff—Supplement 55 to Traffic Executive Association-Eastern Railroads, agent, tariff ICC C–611.

FSA No. 41491—*Soda ash to specified points in Georgia.* Filed by Traffic Executive Association-Eastern Railroads, agent (E.R. No. 2927), for interested rail carriers. Rates on soda ash, in bulk, in covered hopper cars, in carloads, from specified points in Ohio, New York, and Michigan, to Atlanta and East Point, Ga.

Grounds for relief—Market competition.

Tariffs—Supplements 55 and 226 to Traffic Executive Association-Eastern Railroads, agent, tariffs ICC C–611 and C–334, respectively.

FSA No. 41492—*Chlorine from Geismar, La., to Hamilton, Miss.* Filed by O. W. South, Jr., agent (No. A6067), for interested rail carriers. Rates on chlorine, in tank carloads, from Geismar, La., to Hamilton, Miss.

Grounds for relief—Market competition.

Tariff—Supplement 76 to Southern Freight Association, agent, tariff ICC S–699.

By the Commission.

[SEAL] H. NEIL GARSON, *Secretary.*

[F.R. Doc. 68–13634; Filed, Nov. 12, 1968; 8:47 a.m.]

[Notice 244]

MOTOR CARRIER TRANSFER PROCEEDINGS

NOVEMBER 7, 1968.

Synopses of orders entered pursuant to section 212(b) of the Interstate Commerce Act, and rules and regulations prescribed thereunder (49 CFR Part 1132), appear below:

As provided in the Commission's special rules of practice any interested person may file a petition seeking reconsideration of the following numbered proceedings within 20 days from the date of publication of this notice. Pursuant to section 17(8) of the Interstate Commerce Act, the filing of such a petition will postpone the effective date of the order in that proceeding pending its disposition. The matters relied upon by petitioners must be specified in their petitions with particularity.

No. MC–FC–70801. By order of October 29, 1968, the Transfer Board approved the transfer to H-K Moving & Storage Co., a corporation, Las Cruces, N. Mex., of the certificate of registration in No. MC–121262 (Sub-No. 1) issued September 8, 1964, to Dalton Transfer & Storage Co., Inc., Albuquerque, N. Mex., evidencing a right to engage in transportation in interstate or foreign commerce corresponding in scope to the grant of authority in certificate No. 963–I, dated October 26, 1961, issued by the State Corporation Commission of New Mexico, involving the transportation of new and used household goods and furniture from and to points in New Mexico. Mark B. Thompson, 3300 Second Street NW., Albuquerque, N. Mex. 87107; representative for applicants.

No. MC–FC–70868. By order of October 29, 1968, the Transfer Board approved the transfer to D'Agata Transportation, Inc., Cherry Hill, N.J., of the operating rights in No. MC–118929 issued September 24, 1959, to Clifford R. Yingst, Annville, Pa., and acquired by Joseph D'Agata, Philadelphia, Pa., pursuant to approval and consummation in No. MC–FC–70216, authorizing the transportation of malt beverage, in cans, bottles, and kegs, from Reading, Pa., to points in Connecticut, Massachusetts, New Hampshire, Rhode Island, and Vermont, to Reading, Pa., under a continuing contract with The Old Reading Brewery, Inc., and of the operating rights in permit No. MC–116564 (Sub-No. 16) issued October 28, 1966, to Lewis W. McCurdy, doing business as McCurdy's Trucking Co., Latrobe, Pa., and acquired by Joseph D'Agata, Philadelphia, Pa., pursuant to approval and consummation in No. MC–FC–70323, authorizing the transportation of malt beverage, from Latrobe, Pa., to points in New Jersey under continuing contract with the Latrobe Brewing Co. G. Donald Bullock, Box 103, Wyncote, Pa., 19095; practitioner for applicants.

[SEAL] H. NEIL GARSON, *Secretary.*

[F.R. Doc. 68–13635; Filed, Nov. 12, 1968; 8:47 a.m.]

[S.O. 994, ICC Order 17]

LOUISVILLE AND NASHVILLE RAILROAD CO.

Rerouting and Diversion of Traffic

In the opinion of R. D. Pfahler, agent, the Louisville and Nashville Railroad Co. is unable to transport traffic over its line because of work stoppage by certain of its operating employees.

It is ordered, That:

(a) Rerouting traffic: The Louisville and Nashville Railroad Co. being unable to transport traffic over its line because of work stoppage by certain of its operating employees; that carrier and it connections are hereby authorized to reroute or divert such traffic over any available route to expedite the movement, regardless of the routing designated on the waybill. The billing covering all such cars rerouted or diverted shall carry a reference to this order as authority for the rerouting.

(b) Concurrence of receiving roads to be obtained: The railroad desiring to divert or reroute traffic under this order shall receive the concurrence of other railroads to which such traffic is to be diverted or rerouted, before the rerouting or diversion is ordered.

(c) Notification to shippers: Each carrier rerouting cars in accordance with this order shall notify each shipper at the time each car is rerouted or diverted and shall furnish to such shipper the new routing provided under this order.

(d) Inasmuch as the diversion or rerouting of traffic is deemed to be due to carrier disability, the rates applicable to traffic diverted or rerouted by said Agent shall be the rates which were applicable at the time of shipment on the shipments as originally routed.

(e) In executing the directions of the Commission and of such Agent provided for in this order, the common carriers involved shall proceed even though no contracts, agreements, or arrangements now exist between them with reference to the divisions of the rates of transportation applicable to said traffic; divisions shall be, during the time this order remains in force, those voluntarily agreed upon by and between said carriers; or upon failure of the carriers to so agree, said divisions shall be those hereafter fixed by the Commission in accordance with pertinent authority conferred upon it by the Interstate Commerce Act.

(f) Effective date: This order shall become effective at 1 p.m., November 6, 1968.

(g) Expiration date: This order shall expire at 11:59 p.m., November 16, 1968, unless otherwise modified, changed, or suspended.

It is further ordered, That this order shall be served upon the Association of American Railroads, Car Service Division, as agent of all railroads subscribing to the car service and per diem agreement under the terms of that agreement; and that it be filed with the Director, Office of the Federal Register.

Issued at Washington, D.C., November 6, 1968.

INTERSTATE COMMERCE COMMISSION,

[SEAL] R. D. PFAHLER, *Agent.*

[F.R. Doc. 68–13636; Filed, Nov. 12, 1968; 8:47 a.m.]

[S.O. 1002, Car Distribution Direction No. 1–A]

LOUISVILLE AND NASHVILLE RAILROAD CO. AND CHICAGO, BURLINGTON & QUINCY RAILROAD CO.

Car Distribution

Upon further consideration of Car Distribution Direction No. 1 (Louisville and Nashville Railroad Co.; Chicago, Burlington & Quincy Railroad Co.) and good cause appearing therefor:

It is ordered, That:

Car Distribution Direction No. 1 be, and it is hereby vacated.

It is further ordered, That this amendment shall become effective at 12:01 p.m., November 6, 1968, and that it shall be served upon the Association of American Railroads, Car Service Division, as agent of all railroads subscribing to the car service and per diem agreement under the terms of that agreement; and that it be filed with the Director, Office of the Federal Register.

Issued at Washington, D.C., November 6, 1968.

INTERSTATE COMMERCE COMMISSION,
[SEAL] R. D. PFAHLER,
Agent.

[F.R. Doc. 68–13637; Filed, Nov. 12, 1968; 8:47 a.m.]

[S.O. 1002, Car Distribution Direction No. 7–A]

SEABOARD COAST LINE RAILROAD CO. ET AL.

Car Distribution

Upon further consideration of Car Distribution Direction No. 7 (Seaboard Coast Line Railroad Co.; Louisville and Nashville Railroad Co.; Chicago and North Western Railway Co.) and good cause appearing therefor:

It is ordered, That:

Car Distribution Direction No. 7 be, and it is hereby vacated.

It is further ordered, That this amendment shall become effective at 12:01 p.m., November 6, 1968, and that it shall be served upon the Association of American Railroads, Car Service Division, as agent of all railroads subscribing to the car service and per diem agreement under the terms of that agreement; and that it be filed with the Director, Office of the Federal Register.

Issued at Washington, D.C., November 6, 1968.

INTERSTATE COMMERCE COMMISSION,
[SEAL] R. D. PFAHLER,
Agent.

[F.R. Doc. 68–13638; Filed, Nov. 12, 1968; 8:47 a.m.]

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